

A bill for an act

relating to mandates; eliminating unnecessary state mandates; simplifying and repealing mandates on school districts; relieving counties of certain mandates; modifying county payment of funeral expenses; modifying provisions related to children's therapeutic services and supports; modifying certain nursing facility rules; providing an alternative licensing method for day training and habilitation services; accepting certain independent audits; modifying health care program information that a school district or charter school must provide; eliminating various unfunded mandates affecting local governmental units; removing, extending, or modifying certain mandates upon local governmental units or officials; eliminating truth-in-taxation hearing requirements and temporarily suspending advertising requirements; modifying publication correction requirements; increasing the property tax amount for which installment payments may be made; amending Minnesota Statutes 2008, sections 6.80, by adding a subdivision; 62Q.37, subdivision 3; 120B.11, subdivision 5; 122A.09, subdivision 7; 123B.10, subdivision 1; 123B.143, subdivision 1; 123B.71, subdivisions 1, 8, 12; 124D.10, subdivision 20; 124D.19, subdivision 3; 124D.68, subdivision 5; 125A.57, subdivision 2; 125A.61, subdivision 1; 126C.44; 144A.04, subdivision 11, by adding a subdivision; 144A.43, by adding a subdivision; 144A.45, subdivision 1, by adding a subdivision; 157.22; 168.33, subdivision 7; 211B.37; 245.4871, subdivision 10; 245.4885, subdivision 1a; 256.935; 256.962, subdivision 6; 256B.0943, subdivisions 4, 6, 9; 256F.13, subdivision 1; 260C.212, subdivisions 4a, 11; 261.035; 275.065, subdivisions 1, 3, 5a, 6; 279.01, subdivision 1; 279.10; 306.243, by adding a subdivision; 326B.145; 344.18; 365.28; 375.12, subdivision 2; 375.194, subdivision 5; 382.265; 383A.75, subdivision 3; 384.151, subdivision 1a; 385.373, subdivision 1a; 386.015, subdivision 2; 387.13; 387.20, subdivisions 1, 2; 429.041, subdivisions 1, 2; 465.719, subdivision 9; 469.015; 471.61, subdivision 1; 471.661; 473.13, subdivision 1; 473.862; 609.115, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 14; 245B; repealing Minnesota Statutes 2008, sections 120B.11, subdivisions 6, 7, 8; 120B.39; 121A.06; 122A.32; 122A.628; 122A.75; 123B.92, subdivision 5; 275.065, subdivisions 6b, 6c, 8, 9, 10; 373.42; 384.151, subdivisions 1, 3; 385.373, subdivisions 1, 3; 386.015, subdivisions 1, 4; 387.20, subdivision 4.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1

EDUCATION

Section 1. Minnesota Statutes 2008, section 120B.11, subdivision 5, is amended to read:

Subd. 5. **Report.** (a) By October 1 of each year, the school board shall use standard statewide reporting procedures the commissioner develops and adopt a report that includes the following:

- (1) student achievement goals for meeting state academic standards;
- (2) results of local assessment data, and any additional test data;
- (3) the annual school district improvement plans including staff development goals under section 122A.60;
- (4) information about district and learning site progress in realizing previously adopted improvement plans; and
- (5) the amount and type of revenue attributed to each education site as defined in section 123B.04.

(b) The school board shall publish a summary of the report in the local newspaper with the largest circulation in the district, by mail, or by electronic means such as the district Web site. If electronic means are used, school districts must publish notice of the report in a periodical of general circulation in the district. School districts must make copies of the report available to the public on request. ~~The board shall make a copy of the report available to the public for inspection. The board shall send a copy of the report to the commissioner of education by October 15 of each year.~~

(c) The title of the report shall contain the name and number of the school district and read "Annual Report on Curriculum, Instruction, and Student Achievement." The report must include at least the following information about advisory committee membership:

- (1) the name of each committee member and the date when that member's term expires;
- (2) the method and criteria the school board uses to select committee members; and
- (3) the date by which a community resident must apply to next serve on the committee.

Sec. 2. Minnesota Statutes 2008, section 122A.09, subdivision 7, is amended to read:

Subd. 7. **Commissioner's assistance; board money.** The commissioner shall provide all necessary materials and assistance for the transaction of the business of the Board of Teaching and all moneys received by the Board of Teaching shall be paid into the state treasury as provided by law. The expenses of administering sections 122A.01,

3.1 122A.05 to 122A.09, 122A.15, 122A.16, 122A.17, 122A.18, 122A.20, 122A.21, 122A.22,  
3.2 122A.23, 122A.26, 122A.30, ~~122A.32~~, 122A.40, 122A.41, 122A.42, 122A.45, 122A.49,  
3.3 122A.52, 122A.53, 122A.54, 122A.55, 122A.56, 122A.57, and 122A.58 which are  
3.4 incurred by the Board of Teaching shall be paid for from appropriations made to the  
3.5 Board of Teaching.

3.6 Sec. 3. Minnesota Statutes 2008, section 123B.10, subdivision 1, is amended to read:

3.7 Subdivision 1. **Budgets; form of notification.** (a) Every board must publish revenue  
3.8 and expenditure budgets for the current year and the actual revenues, expenditures, fund  
3.9 balances for the prior year and projected fund balances for the current year in a form  
3.10 prescribed by the commissioner within one week of the acceptance of the final audit by  
3.11 the board, or November 30, whichever is earlier. The forms prescribed must be designed  
3.12 so that year to year comparisons of revenue, expenditures and fund balances can be made.

3.13 (b) A school board annually must notify the public of its revenue, expenditures, fund  
3.14 balances, and other relevant budget information. The board must include the budget  
3.15 information required by this section in the materials provided as a part of its truth in  
3.16 taxation hearing, post the materials in a conspicuous place on the district's official Web  
3.17 site, including a link to the district's school report card on the Department of Education's  
3.18 Web site, and publish a summary of the information in a qualified newspaper of general  
3.19 circulation in the district.

3.20 Sec. 4. Minnesota Statutes 2008, section 123B.143, subdivision 1, is amended to read:

3.21 Subdivision 1. **Contract; duties.** All districts maintaining a classified secondary  
3.22 school must employ a superintendent who shall be an ex officio nonvoting member of the  
3.23 school board. The authority for selection and employment of a superintendent must be  
3.24 vested in the board in all cases. An individual employed by a board as a superintendent  
3.25 shall have an initial employment contract for a period of time no longer than three years  
3.26 from the date of employment. Any subsequent employment contract must not exceed a  
3.27 period of three years. A board, at its discretion, may or may not renew an employment  
3.28 contract. A board must not, by action or inaction, extend the duration of an existing  
3.29 employment contract. Beginning 365 days prior to the expiration date of an existing  
3.30 employment contract, a board may negotiate and enter into a subsequent employment  
3.31 contract to take effect upon the expiration of the existing contract. A subsequent contract  
3.32 must be contingent upon the employee completing the terms of an existing contract. If a  
3.33 contract between a board and a superintendent is terminated prior to the date specified in  
3.34 the contract, the board may not enter into another superintendent contract with that same

individual that has a term that extends beyond the date specified in the terminated contract. A board may terminate a superintendent during the term of an employment contract for any of the grounds specified in section 122A.40, subdivision 9 or 13. A superintendent shall not rely upon an employment contract with a board to assert any other continuing contract rights in the position of superintendent under section 122A.40. Notwithstanding the provisions of sections 122A.40, subdivision 10 or 11, 123A.32, 123A.75, or any other law to the contrary, no individual shall have a right to employment as a superintendent based on order of employment in any district. If two or more districts enter into an agreement for the purchase or sharing of the services of a superintendent, the contracting districts have the absolute right to select one of the individuals employed to serve as superintendent in one of the contracting districts and no individual has a right to employment as the superintendent to provide all or part of the services based on order of employment in a contracting district. The superintendent of a district shall perform the following:

(1) visit and supervise the schools in the district, report and make recommendations about their condition when advisable or on request by the board;

(2) recommend to the board employment and dismissal of teachers;

(3) superintend school grading practices and examinations for promotions;

(4) make reports required by the commissioner; and

~~(5) by January 10, submit an annual report to the commissioner in a manner prescribed by the commissioner, in consultation with school districts, identifying the expenditures that the district requires to ensure an 80 percent student passage rate on the MCA-IIs taken in the eighth grade, identifying the highest student passage rate the district expects it will be able to attain on the MCA-IIs by grade 12, and the amount of expenditures that the district requires to attain the targeted student passage rate; and~~

~~(6)~~ perform other duties prescribed by the board.

Sec. 5. Minnesota Statutes 2008, section 123B.71, subdivision 1, is amended to read:

Subdivision 1. **Consultation.** A school district shall consult with the commissioner of education before developing any plans and specifications to construct, remodel, or improve the building or site of an educational facility for which the estimated cost exceeds ~~\$250,000~~ \$500,000. This consultation shall occur before a referendum for bonds, solicitation for bids, or use of capital expenditure facilities revenue according to section 126C.10, subdivision 14, clause (2). The commissioner may require the district to participate in a management assistance plan before conducting a review and comment on the project.

Sec. 6. Minnesota Statutes 2008, section 123B.71, subdivision 8, is amended to read:

Subd. 8. **Review and comment.** A school district, a special education cooperative, or a cooperative unit of government, as defined in section 123A.24, subdivision 2, must not initiate an installment contract for purchase or a lease agreement, hold a referendum for bonds, nor solicit bids for new construction, expansion, or remodeling of an educational facility that requires an expenditure in excess of \$500,000 per school site if it has a capital loan outstanding, or \$1,400,000 per school site if it does not have a capital loan outstanding, prior to review and comment by the commissioner. The commissioner may exempt a facility maintenance project funded with general education aid and levy, alternative facilities bonding and levy program, or health and safety revenue from this provision after reviewing a written request from a school district describing the scope of work. A school board shall not separate portions of a single project into components to avoid the requirements of this subdivision.

Sec. 7. Minnesota Statutes 2008, section 123B.71, subdivision 12, is amended to read:

Subd. 12. **Publication.** (a) At least 20 days but not more than 60 days before a referendum for bonds or solicitation of bids for a project that has received a positive or unfavorable review and comment under section 123B.70, the school board shall publish a summary of the commissioner's review and comment of that project in the legal newspaper of the district. Supplementary information shall be available to the public.

(b) The publication requirement in paragraph (a) does not apply to alternative facilities projects approved under section 123B.59. Publication for alternative facilities projects shall be as specified in section 123B.59, subdivisions 3 and 3a.

Sec. 8. Minnesota Statutes 2008, section 124D.10, subdivision 20, is amended to read:

Subd. 20. **Leave to teach in a charter school.** If a teacher employed by a district makes a written request for an extended leave of absence to teach at a charter school, the district must grant the leave. The district must grant a leave not to exceed a total of five years. Any request to extend the leave shall be granted only at the discretion of the school board. The district may require that the request for a leave or extension of leave be made up to 90 days before the teacher would otherwise have to report for duty before February 1 in the school year preceding the school year in which the teacher wishes to begin the leave, or February 1 of the calendar year in which the leave is scheduled to terminate. Except as otherwise provided in this subdivision and except for section 122A.46, subdivision 7, the leave is governed by section 122A.46, including, but not limited to, reinstatement, notice of intention to return, seniority, salary, and insurance.

During a leave, the teacher may continue to aggregate benefits and credits in the Teachers' Retirement Association account by paying both the employer and employee contributions based upon the annual salary of the teacher for the last full pay period before the leave began. The retirement association may impose reasonable requirements to efficiently administer this subdivision.

Sec. 9. Minnesota Statutes 2008, section 124D.19, subdivision 3, is amended to read:

Subd. 3. **Community education director.** (a) Except as provided under paragraphs (b) and (c), each board shall employ a licensed community education director. The board shall submit the name of the person who is serving as director of community education under this section on the district's annual community education report to the commissioner.

(b) A board may apply to the Minnesota Board of School Administrators under Minnesota Rules, part 3512.3500, subpart 9, for authority to use an individual who is not licensed as a community education director.

(c) A board of a district with a total population of ~~2,000~~ 4,000 or less may identify an employee who holds a valid Minnesota teacher, principal, or superintendent license under Minnesota Rules, chapter 3512, to serve as director of community education. To be eligible for an exception under this paragraph, the board shall certify in writing to the commissioner that the district has not placed a licensed director of community education on unrequested leave.

Sec. 10. Minnesota Statutes 2008, section 124D.68, subdivision 5, is amended to read:

Subd. 5. **Pupil enrollment.** (a) Any eligible pupil may apply to enroll in an eligible program. Approval of the resident district is not required for:

(1) an eligible pupil to enroll in any eligible program in a nonresident district under subdivision 3 or 4 or an area learning center established under section 123A.05; or

(2) an eligible pupil under subdivision 2, to enroll in an adult basic education program approved under section 124D.52.

(b) Notwithstanding paragraph (a), a nonresident district must first approve the enrollment application of any eligible pupil who was expelled under section 121A.45 for a reason stated in section 124D.03, subdivision 1, paragraph (b).

**EFFECTIVE DATE.** This section is effective for the 2009-2010 school year and later.

Sec. 11. Minnesota Statutes 2008, section 125A.57, subdivision 2, is amended to read:

Subd. 2. **Assistive technology device.** "Assistive technology device" means any item, piece of equipment, ~~software~~, or product system, whether acquired commercially off the shelf, modified, or customized, that is used to increase, maintain, or improve functional capabilities of ~~children with disabilities~~ a child with a disability. It does not mean a medical device that is surgically implanted, or replacement of the device.

Sec. 12. Minnesota Statutes 2008, section 125A.61, subdivision 1, is amended to read:

Subdivision 1. **State schools at Faribault.** The Minnesota State Academy for the Deaf and the Minnesota State Academy for the Blind are residential schools in Faribault. They are public schools under sections 122A.15, and 122A.16, ~~and 122A.32~~ and state educational institutions.

Sec. 13. Minnesota Statutes 2008, section 126C.44, is amended to read:

**126C.44 SAFE SCHOOLS LEVY.**

(a) Each district may make a levy on all taxable property located within the district for the purposes specified in this section. The maximum amount which may be levied for all costs under this section shall be equal to \$30 multiplied by the district's adjusted marginal cost pupil units for the school year. The proceeds of the levy must be reserved and used for directly funding the following purposes or for reimbursing the cities and counties who contract with the district for the following purposes: (1) to pay the costs incurred for the salaries, benefits, and transportation costs of peace officers and sheriffs for liaison in services in the district's schools; (2) to pay the costs for a drug abuse prevention program as defined in section 609.101, subdivision 3, paragraph (e), in the elementary schools; (3) to pay the costs for a gang resistance education training curriculum in the district's schools; (4) to pay the costs for security in the district's schools and on school property; (5) to pay the costs for other crime prevention, drug abuse, student and staff safety, voluntary opt-in suicide prevention tools, and violence prevention measures taken by the school district; or (6) to pay costs for licensed school counselors, licensed school nurses, licensed school social workers, licensed school psychologists, and licensed alcohol and chemical dependency counselors to help provide early responses to problems. For expenditures under clause (1), the district must initially attempt to contract for services to be provided by peace officers or sheriffs with the police department of each city or the sheriff's department of the county within the district containing the school receiving the services. If a local police department or a county sheriff's department does not wish to provide the necessary services, the district may contract for these services with any other police or sheriff's department located entirely or partially within the school district's boundaries.

(b) A school district that is a member of an intermediate school district may include in its authority under this section the costs associated with safe schools activities authorized under paragraph (a) for intermediate school district programs. This authority must not exceed \$10 times the adjusted marginal cost pupil units of the member districts. This authority is in addition to any other authority authorized under this section. Revenue raised under this paragraph must be transferred to the intermediate school district.

(c) A school district must set aside at least \$3 per adjusted marginal cost pupil unit of the safe schools levy proceeds for the purposes authorized under paragraph (a), clause (6). ~~The district must annually certify that its total spending on services provided by the employees listed in paragraph (a), clause (6), is not less than the sum of its expenditures for these purposes, excluding amounts spent under this section, in the previous year plus the amount spent under this section.~~

Sec. 14. **REPEALER.**

Minnesota Statutes 2008, sections 120B.11, subdivisions 6, 7, and 8; 120B.39; 121A.06; 122A.32; 122A.628; 122A.75; and 123B.92, subdivision 5, are repealed the day following final enactment.

**ARTICLE 2**  
**HUMAN SERVICES**

Section 1. Minnesota Statutes 2008, section 157.22, is amended to read:

**157.22 EXEMPTIONS.**

This chapter shall not be construed to apply to:

(1) interstate carriers under the supervision of the United States Department of Health and Human Services;

(2) any building constructed and primarily used for religious worship;

(3) any building owned, operated, and used by a college or university in accordance with health regulations promulgated by the college or university under chapter 14;

(4) any person, firm, or corporation whose principal mode of business is licensed under sections 28A.04 and 28A.05, is exempt at that premises from licensure as a food or beverage establishment; provided that the holding of any license pursuant to sections 28A.04 and 28A.05 shall not exempt any person, firm, or corporation from the applicable provisions of this chapter or the rules of the state commissioner of health relating to food and beverage service establishments;

(5) family day care homes and group family day care homes governed by sections 245A.01 to 245A.16;

(6) nonprofit senior citizen centers for the sale of home-baked goods;

(7) fraternal or patriotic organizations that are tax exempt under section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(7), 501(c)(10), or 501(c)(19) of the Internal Revenue Code of 1986, or organizations related to or affiliated with such fraternal or patriotic organizations. Such organizations may organize events at which home-prepared food is donated by organization members for sale at the events, provided:

(i) the event is not a circus, carnival, or fair;

(ii) the organization controls the admission of persons to the event, the event agenda, or both; and

(iii) the organization's licensed kitchen is not used in any manner for the event;

(8) food not prepared at an establishment and brought in by individuals attending a potluck event for consumption at the potluck event. An organization sponsoring a potluck event under this clause may advertise the potluck event to the public through any means. Individuals who are not members of an organization sponsoring a potluck event under this clause may attend the potluck event and consume the food at the event. Licensed food establishments other than schools cannot be sponsors of potluck events. A school may sponsor and hold potluck events in areas of the school other than the school's kitchen, provided that the school's kitchen is not used in any manner for the potluck event. For purposes of this clause, "school" means a public school as defined in section 120A.05, subdivisions 9, 11, 13, and 17, or a nonpublic school, church, or religious organization at which a child is provided with instruction in compliance with sections 120A.22 and 120A.24. Potluck event food shall not be brought into a licensed food establishment kitchen; ~~and~~

(9) a home school in which a child is provided instruction at home; and

(10) group residential facilities of ten or fewer beds licensed by the commissioner of human services under Minnesota Rules, chapter 2960, provided the facility employs or contracts with a certified food manager under Minnesota Rules, part 4626.2015.

Sec. 2. Minnesota Statutes 2008, section 245.4871, subdivision 10, is amended to read:

Subd. 10. **Day treatment services.** "Day treatment," "day treatment services," or "day treatment program" means a structured program of treatment and care provided to a child in:

(1) an outpatient hospital accredited by the Joint Commission on Accreditation of Health Organizations and licensed under sections 144.50 to 144.55;

(2) a community mental health center under section 245.62;

(3) an entity that is under contract with the county board to operate a program that meets the requirements of section 245.4884, subdivision 2, and Minnesota Rules, parts 9505.0170 to 9505.0475; or

(4) an entity that operates a program that meets the requirements of section 245.4884, subdivision 2, and Minnesota Rules, parts 9505.0170 to 9505.0475, that is under contract with an entity that is under contract with a county board.

Day treatment consists of group psychotherapy and other intensive therapeutic services that are provided for a minimum ~~three-hour~~ two-hour time block by a multidisciplinary staff under the clinical supervision of a mental health professional.

Day treatment may include education and consultation provided to families and other individuals as an extension of the treatment process. The services are aimed at stabilizing the child's mental health status, and developing and improving the child's daily independent living and socialization skills. Day treatment services are distinguished from day care by their structured therapeutic program of psychotherapy services. Day treatment services are not a part of inpatient hospital or residential treatment services. ~~Day treatment services for a child are an integrated set of education, therapy, and family interventions.~~

A day treatment service must be available to a child ~~at least five days a week~~ throughout the year and must be coordinated with, integrated with, or part of an education program offered by the child's school.

Sec. 3. Minnesota Statutes 2008, section 245.4885, subdivision 1a, is amended to read:

Subd. 1a. **Emergency admission.** Effective July 1, 2006, if a child is admitted to a treatment foster care setting, residential treatment facility, or acute care hospital for emergency treatment or held for emergency care by a regional treatment center under section 253B.05, subdivision 1, the level of care determination must occur within ~~three~~ five working days of admission.

Sec. 4. Minnesota Statutes 2008, section 256.935, is amended to read:

**256.935 CREMATION AND FUNERAL EXPENSES, PAYMENT BY COUNTY AGENCY.**

Subdivision 1. **Funeral expenses.** On the death of any person receiving public assistance through MFIP, the county agency shall attempt to contact the decedent's spouse or next of kin. If the agency is not able to contact a spouse or next of kin, the agency shall pay for cremation of the person's remains. If the county agency contacts the decedent's spouse or next of kin and it is determined that cremation is not in accordance with the religious and moral beliefs of the decedent or the decedent's spouse or the decedent's

11.1 next of kin, the county agency shall pay an amount for funeral expenses not exceeding  
11.2 the amount paid for comparable services under section 261.035 plus actual cemetery  
11.3 charges. No cremation or funeral expenses shall be paid if the estate of the deceased is  
11.4 sufficient to pay such expenses or if the spouse, who was legally responsible for the  
11.5 support of the deceased while living, is able to pay such expenses; ~~provided, that the~~  
11.6 ~~additional payment or donation of the cost of cemetery lot, interment, religious service,~~  
11.7 ~~or for the transportation of the body into or out of the community in which the deceased~~  
11.8 ~~resided, shall not limit payment by the county agency as herein authorized. Freedom of~~  
11.9 ~~choice in the selection of a funeral director shall be granted to persons lawfully authorized~~  
11.10 ~~to make arrangements for the burial of any such deceased recipient.~~ In determining the  
11.11 sufficiency of such estate, due regard shall be had for the nature and marketability of the  
11.12 assets of the estate. The county agency may grant cremation or funeral expenses where  
11.13 the sale would cause undue loss to the estate. Any amount paid for cremation or funeral  
11.14 expenses shall be a prior claim against the estate, as provided in section 524.3-805, and  
11.15 any amount recovered shall be reimbursed to the agency which paid the expenses. The  
11.16 commissioner shall specify requirements for reports, including fiscal reports, according  
11.17 to section 256.01, subdivision 2, paragraph ~~(17)~~ (q). The state share shall pay the entire  
11.18 amount of county agency expenditures. Benefits shall be issued to recipients by the state  
11.19 or county subject to provisions of section 256.017.

11.20 Sec. 5. Minnesota Statutes 2008, section 256B.0943, subdivision 4, is amended to read:

11.21 Subd. 4. **Provider entity certification.** (a) Effective July 1, 2003, the commissioner  
11.22 shall establish an initial provider entity application and certification process and  
11.23 recertification process to determine whether a provider entity has an administrative  
11.24 and clinical infrastructure that meets the requirements in subdivisions 5 and 6. The  
11.25 commissioner shall recertify a provider entity at least every three years. The commissioner  
11.26 shall establish a process for decertification of a provider entity that no longer meets the  
11.27 requirements in this section. The county, tribe, and the commissioner shall be mutually  
11.28 responsible and accountable for the county's, tribe's, and state's part of the certification,  
11.29 recertification, and decertification processes.

11.30 (b) For purposes of this section, a provider entity must be:

11.31 (1) an Indian health services facility or a facility owned and operated by a tribe or  
11.32 tribal organization operating as a 638 facility under Public Law 93-638 certified by the  
11.33 state;

11.34 (2) a county-operated entity certified by the state; or

12.1 (3) a noncounty entity ~~recommended for certification by the provider's host county~~  
12.2 ~~and~~ certified by the state.

12.3 Sec. 6. Minnesota Statutes 2008, section 256B.0943, subdivision 6, is amended to read:

12.4 Subd. 6. **Provider entity clinical infrastructure requirements.** (a) To be  
12.5 an eligible provider entity under this section, a provider entity must have a clinical  
12.6 infrastructure that utilizes diagnostic assessment, an individualized treatment plan,  
12.7 service delivery, and individual treatment plan review that are culturally competent,  
12.8 child-centered, and family-driven to achieve maximum benefit for the client. The provider  
12.9 entity must review, and update as necessary, the clinical policies and procedures every  
12.10 three years and must distribute the policies and procedures to staff initially and upon  
12.11 each subsequent update.

12.12 (b) The clinical infrastructure written policies and procedures must include policies  
12.13 and procedures for:

12.14 (1) providing or obtaining a client's diagnostic assessment that identifies acute and  
12.15 chronic clinical disorders, co-occurring medical conditions, sources of psychological  
12.16 and environmental problems, ~~and~~ including a functional assessment. The functional  
12.17 assessment component must clearly summarize the client's individual strengths and needs;

12.18 (2) developing an individual treatment plan that is:

12.19 (i) based on the information in the client's diagnostic assessment;

12.20 (ii) developed no later than the end of the first psychotherapy session after the  
12.21 completion of the client's diagnostic assessment by the mental health professional who  
12.22 provides the client's psychotherapy;

12.23 (iii) developed through a child-centered, family-driven planning process that  
12.24 identifies service needs and individualized, planned, and culturally appropriate  
12.25 interventions that contain specific treatment goals and objectives for the client and the  
12.26 client's family or foster family;

12.27 (iv) reviewed at least once every 90 days and revised, if necessary; and

12.28 (v) signed by the client or, if appropriate, by the client's parent or other person  
12.29 authorized by statute to consent to mental health services for the client;

12.30 (3) developing an individual behavior plan that documents services to be provided  
12.31 by the mental health behavioral aide. The individual behavior plan must include:

12.32 (i) detailed instructions on the service to be provided;

12.33 (ii) time allocated to each service;

12.34 (iii) methods of documenting the child's behavior;

12.35 (iv) methods of monitoring the child's progress in reaching objectives; and

13.1 (v) goals to increase or decrease targeted behavior as identified in the individual  
13.2 treatment plan;

13.3 (4) clinical supervision of the mental health practitioner and mental health behavioral  
13.4 aide. A mental health professional must document the clinical supervision the professional  
13.5 provides by cosigning individual treatment plans and making entries in the client's record  
13.6 on supervisory activities. Clinical supervision does not include the authority to make or  
13.7 terminate court-ordered placements of the child. A clinical supervisor must be available  
13.8 for urgent consultation as required by the individual client's needs or the situation. Clinical  
13.9 supervision may occur individually or in a small group to discuss treatment and review  
13.10 progress toward goals. The focus of clinical supervision must be the client's treatment  
13.11 needs and progress and the mental health practitioner's or behavioral aide's ability to  
13.12 provide services;

13.13 (4a) CTSS certified provider entities providing day treatment programs must meet  
13.14 the conditions in items (i) to (iii):

13.15 (i) the supervisor must be present and available on the premises more than 50  
13.16 percent of the time in a five-working-day period during which the supervisee is providing  
13.17 a mental health service;

13.18 (ii) the diagnosis and the client's individual treatment plan or a change in the  
13.19 diagnosis or individual treatment plan must be made by or reviewed, approved, and signed  
13.20 by the supervisor; and

13.21 (iii) every 30 days, the supervisor must review and sign the record ~~of indicating the~~  
13.22 supervisor has reviewed the client's care for all activities in the preceding 30-day period;

13.23 (4b) for all other services provided under CTSS, clinical supervision standards  
13.24 provided in items (i) to (iii) must be used:

13.25 (i) medical assistance shall reimburse a mental health practitioner who maintains a  
13.26 consulting relationship with a mental health professional who accepts full professional  
13.27 responsibility ~~and is present on site for at least one observation during the first 12 hours~~  
13.28 ~~in which the mental health practitioner provides the individual, family, or group skills~~  
13.29 ~~training to the child or the child's family;~~

13.30 (ii) ~~thereafter,~~ the mental health professional is required to be present on site for  
13.31 observation as clinically appropriate when the mental health practitioner is providing  
13.32 individual, family, or group skills training to the child or the child's family; and

13.33 (iii) when conducted, the observation must be a minimum of one clinical unit. The  
13.34 on-site presence of the mental health professional must be documented in the child's record  
13.35 and signed by the mental health professional who accepts full professional responsibility;

(5) providing direction to a mental health behavioral aide. For entities that employ mental health behavioral aides, the clinical supervisor must be employed by the provider entity or other certified children's therapeutic supports and services provider entity to ensure necessary and appropriate oversight for the client's treatment and continuity of care. The mental health professional or mental health practitioner giving direction must begin with the goals on the individualized treatment plan, and instruct the mental health behavioral aide on how to construct therapeutic activities and interventions that will lead to goal attainment. The professional or practitioner giving direction must also instruct the mental health behavioral aide about the client's diagnosis, functional status, and other characteristics that are likely to affect service delivery. Direction must also include determining that the mental health behavioral aide has the skills to interact with the client and the client's family in ways that convey personal and cultural respect and that the aide actively solicits information relevant to treatment from the family. The aide must be able to clearly explain the activities the aide is doing with the client and the activities' relationship to treatment goals. Direction is more didactic than is supervision and requires the professional or practitioner providing it to continuously evaluate the mental health behavioral aide's ability to carry out the activities of the individualized treatment plan and the individualized behavior plan. When providing direction, the professional or practitioner must:

(i) review progress notes prepared by the mental health behavioral aide for accuracy and consistency with diagnostic assessment, treatment plan, and behavior goals and the professional or practitioner must approve and sign the progress notes;

(ii) identify changes in treatment strategies, revise the individual behavior plan, and communicate treatment instructions and methodologies as appropriate to ensure that treatment is implemented correctly;

(iii) demonstrate family-friendly behaviors that support healthy collaboration among the child, the child's family, and providers as treatment is planned and implemented;

(iv) ensure that the mental health behavioral aide is able to effectively communicate with the child, the child's family, and the provider; and

(v) record the results of any evaluation and corrective actions taken to modify the work of the mental health behavioral aide;

(6) providing service delivery that implements the individual treatment plan and meets the requirements under subdivision 9; and

(7) individual treatment plan review. The review must determine the extent to which the services have met the goals and objectives in the previous treatment plan. The review must assess the client's progress and ensure that services and treatment goals continue to

be necessary and appropriate to the client and the client's family or foster family. Revision of the individual treatment plan does not require a new diagnostic assessment unless the client's mental health status has changed markedly. The updated treatment plan must be signed by the client, if appropriate, and by the client's parent or other person authorized by statute to give consent to the mental health services for the child.

Sec. 7. Minnesota Statutes 2008, section 256B.0943, subdivision 9, is amended to read:

**Subd. 9. Service delivery criteria.** (a) In delivering services under this section, a certified provider entity must ensure that:

(1) each individual provider's caseload size permits the provider to deliver services to both clients with severe, complex needs and clients with less intensive needs. The provider's caseload size should reasonably enable the provider to play an active role in service planning, monitoring, and delivering services to meet the client's and client's family's needs, as specified in each client's individual treatment plan;

(2) site-based programs, including day treatment and preschool programs, provide staffing and facilities to ensure the client's health, safety, and protection of rights, and that the programs are able to implement each client's individual treatment plan;

(3) a day treatment program is provided to a group of clients by a multidisciplinary team under the clinical supervision of a mental health professional. The day treatment program must be provided in and by: (i) an outpatient hospital accredited by the Joint Commission on Accreditation of Health Organizations and licensed under sections 144.50 to 144.55; (ii) a community mental health center under section 245.62; and (iii) an entity that is under contract with the county board to operate a program that meets the requirements of sections 245.4712, subdivision 2, and 245.4884, subdivision 2, and Minnesota Rules, parts 9505.0170 to 9505.0475. The day treatment program must stabilize the client's mental health status while developing and improving the client's independent living and socialization skills. The goal of the day treatment program must be to reduce or relieve the effects of mental illness and provide training to enable the client to live in the community. The program must be available at least one day a week for a ~~three-hour~~ two-hour time block. The ~~three-hour~~ two-hour time block must include at least one hour, ~~but no more than two hours~~, of individual or group psychotherapy. ~~The remainder of the three-hour time block may include recreation therapy, socialization therapy, or independent living skills therapy, but only if the therapies are included in the client's individual treatment plan.~~ The structured treatment program may include individual or group psychotherapy and recreation therapy, socialization therapy, or independent

living skills therapy, if included in the client's individual treatment plan. Day treatment programs are not part of inpatient or residential treatment services; and

(4) a preschool program is a structured treatment program offered to a child who is at least 33 months old, but who has not yet reached the first day of kindergarten, by a preschool multidisciplinary team in a day program licensed under Minnesota Rules, parts 9503.0005 to 9503.0175. The program must be available at least one day a week for a minimum two-hour time block. The structured treatment program may include individual or group psychotherapy and recreation therapy, socialization therapy, or independent living skills therapy, if included in the client's individual treatment plan.

(b) A provider entity must deliver the service components of children's therapeutic services and supports in compliance with the following requirements:

(1) individual, family, and group psychotherapy must be delivered as specified in Minnesota Rules, part 9505.0323;

(2) individual, family, or group skills training must be provided by a mental health professional or a mental health practitioner who has a consulting relationship with a mental health professional who accepts full professional responsibility for the training;

(3) crisis assistance must be time-limited and designed to resolve or stabilize crisis through arrangements for direct intervention and support services to the child and the child's family. Crisis assistance must utilize resources designed to address abrupt or substantial changes in the functioning of the child or the child's family as evidenced by a sudden change in behavior with negative consequences for well being, a loss of usual coping mechanisms, or the presentation of danger to self or others;

(4) medically necessary services that are provided by a mental health behavioral aide must be designed to improve the functioning of the child and support the family in activities of daily and community living. A mental health behavioral aide must document the delivery of services in written progress notes. The mental health behavioral aide must implement goals in the treatment plan for the child's emotional disturbance that allow the child to acquire developmentally and therapeutically appropriate daily living skills, social skills, and leisure and recreational skills through targeted activities. These activities may include:

(i) assisting a child as needed with skills development in dressing, eating, and toileting;

(ii) assisting, monitoring, and guiding the child to complete tasks, including facilitating the child's participation in medical appointments;

(iii) observing the child and intervening to redirect the child's inappropriate behavior;

17.1 (iv) assisting the child in using age-appropriate self-management skills as related  
17.2 to the child's emotional disorder or mental illness, including problem solving, decision  
17.3 making, communication, conflict resolution, anger management, social skills, and  
17.4 recreational skills;

17.5 (v) implementing deescalation techniques as recommended by the mental health  
17.6 professional;

17.7 (vi) implementing any other mental health service that the mental health professional  
17.8 has approved as being within the scope of the behavioral aide's duties; or

17.9 (vii) assisting the parents to develop and use parenting skills that help the child  
17.10 achieve the goals outlined in the child's individual treatment plan or individual behavioral  
17.11 plan. Parenting skills must be directed exclusively to the child's treatment; and

17.12 (5) direction of a mental health behavioral aide must include the following:

17.13 (i) a total of one hour of on-site observation by a mental health professional during  
17.14 the first 12 hours of service provided to a child;

17.15 (ii) ongoing on-site observation by a mental health professional or mental health  
17.16 practitioner for at least a total of one hour during every 40 hours of service provided  
17.17 to a child; and

17.18 (iii) immediate accessibility of the mental health professional or mental health  
17.19 practitioner to the mental health behavioral aide during service provision.

17.20 Sec. 8. Minnesota Statutes 2008, section 256F.13, subdivision 1, is amended to read:

17.21 Subdivision 1. **Federal revenue enhancement.** (a) The commissioner of human  
17.22 services may enter into an agreement with one or more family services collaboratives  
17.23 to enhance federal reimbursement under title IV-E of the Social Security Act and  
17.24 federal administrative reimbursement under title XIX of the Social Security Act. The  
17.25 commissioner may contract with the Department of Education for purposes of transferring  
17.26 the federal reimbursement to the commissioner of education to be distributed to the  
17.27 collaboratives according to clause (2). The commissioner shall have the following  
17.28 authority and responsibilities regarding family services collaboratives:

17.29 (1) the commissioner shall submit amendments to state plans and seek waivers as  
17.30 necessary to implement the provisions of this section;

17.31 (2) the commissioner shall pay the federal reimbursement earned under this  
17.32 subdivision to each collaborative based on their earnings. Payments to collaboratives for  
17.33 expenditures under this subdivision will only be made of federal earnings from services  
17.34 provided by the collaborative;

(3) the commissioner shall review expenditures of family services collaboratives using reports specified in the agreement with the collaborative to ensure that the base level of expenditures is continued and new federal reimbursement is used to expand education, social, health, or health-related services to young children and their families;

(4) the commissioner may reduce, suspend, or eliminate a family services collaborative's obligations to continue the base level of expenditures or expansion of services if the commissioner determines that one or more of the following conditions apply:

(i) imposition of levy limits that significantly reduce available funds for social, health, or health-related services to families and children;

(ii) reduction in the net tax capacity of the taxable property eligible to be taxed by the lead county or subcontractor that significantly reduces available funds for education, social, health, or health-related services to families and children;

(iii) reduction in the number of children under age 19 in the county, collaborative service delivery area, subcontractor's district, or catchment area when compared to the number in the base year using the most recent data provided by the State Demographer's Office; or

(iv) termination of the federal revenue earned under the family services collaborative agreement;

(5) the commissioner shall not use the federal reimbursement earned under this subdivision in determining the allocation or distribution of other funds to counties or collaboratives;

(6) the commissioner may suspend, reduce, or terminate the federal reimbursement to a provider that does not meet the reporting or other requirements of this subdivision;

(7) the commissioner shall recover from the family services collaborative any federal fiscal disallowances or sanctions for audit exceptions directly attributable to the family services collaborative's actions in the integrated fund, or the proportional share if federal fiscal disallowances or sanctions are based on a statewide random sample; and

(8) the commissioner shall establish criteria for the family services collaborative for the accounting and financial management system that will support claims for federal reimbursement.

(b) The family services collaborative shall have the following authority and responsibilities regarding federal revenue enhancement:

(1) the family services collaborative shall be the party with which the commissioner contracts. A lead county shall be designated as the fiscal agency for reporting, claiming, and receiving payments;

(2) the family services collaboratives may enter into subcontracts with other counties, school districts, special education cooperatives, municipalities, and other public and nonprofit entities for purposes of identifying and claiming eligible expenditures to enhance federal reimbursement, or to expand education, social, health, or health-related services to families and children;

~~(3) the family services collaborative must continue the base level of expenditures for education, social, health, or health-related services to families and children from any state, county, federal, or other public or private funding source which, in the absence of the new federal reimbursement earned under this subdivision, would have been available for those services, except as provided in paragraph (a), clause (4). The base year for purposes of this subdivision shall be the four-quarter calendar year ending at least two calendar quarters before the first calendar quarter in which the new federal reimbursement is earned;~~

~~(4)~~ the family services collaborative must use all new federal reimbursement resulting from federal revenue enhancement to expand expenditures for education, social, health, or health-related services to families and children beyond the base level, except as provided in paragraph (a), clause (4);

~~(5)~~ (4) the family services collaborative must ensure that expenditures submitted for federal reimbursement are not made from federal funds or funds used to match other federal funds. Notwithstanding section 256B.19, subdivision 1, for the purposes of family services collaborative expenditures under agreement with the department, the nonfederal share of costs shall be provided by the family services collaborative from sources other than federal funds or funds used to match other federal funds;

~~(6)~~ (5) the family services collaborative must develop and maintain an accounting and financial management system adequate to support all claims for federal reimbursement, including a clear audit trail and any provisions specified in the agreement; and

~~(7)~~ (6) the family services collaborative shall submit an annual report to the commissioner as specified in the agreement.

Sec. 9. Minnesota Statutes 2008, section 260C.212, subdivision 4a, is amended to read:

Subd. 4a. **Monthly caseworker visits.** (a) Every child in foster care or on a trial home visit shall be visited by the child's caseworker on a monthly basis, with the majority of visits occurring in the child's residence. For the purposes of this section, the following definitions apply:

(1) "visit" is defined as a face-to-face contact between a child and the child's caseworker;

(2) "visited on a monthly basis" is defined as at least one visit per calendar month;

(3) "the child's caseworker" is defined as the person who has responsibility for managing the child's foster care placement case or another person who has responsibility for visitation of the child, as assigned by the responsible social service agency; and

(4) "the child's residence" is defined as the home where the child is residing, and can include the foster home, child care institution, or the home from which the child was removed if the child is on a trial home visit.

(b) Caseworker visits shall be of sufficient substance and duration to address issues pertinent to case planning and service delivery to ensure the safety, permanency, and well-being of the child.

Sec. 10. Minnesota Statutes 2008, section 260C.212, subdivision 11, is amended to read:

Subd. 11. **Rules; family and group foster care.** ~~The commissioner shall revise Minnesota Rules, parts 9545.0010 to 9545.0260, the rules setting standards for family and group family foster care.~~ The commissioner shall:

(1) require that, as a condition of licensure, foster care providers attend training on understanding and validating the cultural heritage of all children in their care, and on the importance of the Indian Child Welfare Act, United States Code, title 25, sections 1901 to 1923, and the Minnesota Indian Family Preservation Act, sections 260.751 to 260.835; ~~and~~

(2) review and, where necessary, revise foster care rules to reflect sensitivity to cultural diversity and differing lifestyles. Specifically, the commissioner shall examine whether space and other requirements discriminate against single-parent, minority, or low-income families who may be able to provide quality foster care reflecting the values of their own respective cultures; and

(3) relieve relative foster care providers of the requirements promulgated as a result of clauses (1) and (2) when the safety of the child is not jeopardized and as allowed under federal law.

Sec. 11. Minnesota Statutes 2008, section 261.035, is amended to read:

**261.035 CREMATION AND FUNERALS AT EXPENSE OF COUNTY.**

When a person dies in any county without apparent means to provide for that person's funeral or final disposition, the county board shall first investigate to determine whether that person had contracted for any prepaid funeral arrangements. If prepaid arrangements have been made, the county shall authorize arrangements to be implemented in accord with the instructions of the deceased. If it is determined that the person did not leave sufficient means to defray the necessary expenses of a funeral and final disposition,

nor any spouse of sufficient ability to procure the burial, the county board shall provide for ~~a funeral and final disposition~~ cremation of the person's remains ~~to be made~~ at the expense of the county. If it is determined that cremation is not in accordance with the religious and moral beliefs of the decedent or the decedent's spouse or the decedent's next of kin, the county board shall provide for a funeral. Any funeral and final disposition provided at the expense of the county shall be in accordance with religious and moral beliefs of the decedent or the decedent's spouse or the decedent's next of kin. If the wishes of the decedent are not known and the county has no information about the existence of or location of any next of kin, the county ~~may determine the method of final disposition~~ shall provide for cremation of the person's remains.

### **ARTICLE 3**

### **HEALTH CARE**

Section 1. Minnesota Statutes 2008, section 62Q.37, subdivision 3, is amended to read:

Subd. 3. **Audits.** (a) The commissioner may conduct routine audits and investigations as prescribed under the commissioner's respective state authorizing statutes. If a nationally recognized independent organization has conducted an audit of the health plan company using audit procedures that are comparable to or more stringent than the commissioner's audit procedures:

(1) the commissioner ~~may~~ shall accept the independent audit and require no further audit if the results of the independent audit show that the performance standard being audited meets or exceeds state standards;

(2) the commissioner may accept the independent audit and limit further auditing if the results of the independent audit show that the performance standard being audited partially meets state standards;

(3) the health plan company must demonstrate to the commissioner that the nationally recognized independent organization that conducted the audit is qualified and that the results of the audit demonstrate that the particular performance standard partially or fully meets state standards; and

(4) if the commissioner has partially or fully accepted an independent audit of the performance standard, the commissioner may use the finding of a deficiency with regard to statutes or rules by an independent audit as the basis for a targeted audit or enforcement action.

(b) If a health plan company has formally delegated activities that are required under either state law or contract to another organization that has undergone an audit by a nationally recognized independent organization, that health plan company may use

22.1 the nationally recognized accrediting body's determination on its own behalf under this  
22.2 section.

22.3 Sec. 2. Minnesota Statutes 2008, section 144A.04, subdivision 11, is amended to read:

22.4 Subd. 11. **Incontinent residents.** Notwithstanding Minnesota Rules, part  
22.5 4658.0520, an incontinent resident must be ~~checked according to a specific time interval~~  
22.6 ~~written in the resident's~~ treated according to the comprehensive assessment and care plan.  
22.7 ~~The resident's attending physician must authorize in writing any interval longer than~~  
22.8 ~~two hours unless the resident, if competent, or a family member or legally appointed~~  
22.9 ~~conservator, guardian, or health care agent of a resident who is not competent, agrees in~~  
22.10 ~~writing to waive physician involvement in determining this interval, and this waiver~~  
22.11 ~~is documented in the resident's care plan.~~

22.12 Sec. 3. Minnesota Statutes 2008, section 144A.04, is amended by adding a subdivision  
22.13 to read:

22.14 Subd. 12. **Resident positioning.** Notwithstanding Minnesota Rules, part 4658.0525,  
22.15 subpart 4, the position of residents unable to change their own position must be changed  
22.16 based on the comprehensive assessment and care plan.

22.17 Sec. 4. Minnesota Statutes 2008, section 144A.43, is amended by adding a subdivision  
22.18 to read:

22.19 Subd. 5. **Medication reminder.** "Medication reminder" means providing a verbal  
22.20 or visual reminder to a client to take medication. This includes bringing the medication  
22.21 to the client and providing liquids or nutrition to accompany medication that a client is  
22.22 self-administering.

22.23 Sec. 5. Minnesota Statutes 2008, section 144A.45, subdivision 1, is amended to read:

22.24 Subdivision 1. **Rules.** The commissioner shall adopt rules for the regulation of  
22.25 home care providers pursuant to sections 144A.43 to 144A.47. The rules shall include  
22.26 the following:

22.27 (1) provisions to assure, to the extent possible, the health, safety and well-being, and  
22.28 appropriate treatment of persons who receive home care services;

22.29 (2) requirements that home care providers furnish the commissioner with specified  
22.30 information necessary to implement sections 144A.43 to 144A.47;

22.31 (3) standards of training of home care provider personnel, which may vary according  
22.32 to the nature of the services provided or the health status of the consumer;

(4) standards for medication management which may vary according to the nature of the services provided, the setting in which the services are provided, or the status of the consumer. Medication management includes the central storage, handling, distribution, and administration of medications;

(5) standards for supervision of home care services requiring supervision by a registered nurse or other appropriate health care professional which must occur on site at least every 62 days, or more frequently if indicated by a clinical assessment, and in accordance with sections 148.171 to 148.285 and rules adopted thereunder, except that, ~~notwithstanding the provisions of Minnesota Rules, part 4668.0110, subpart 5, item B, supervision of a person performing home care aide tasks for a class B licensee providing paraprofessional services must occur only every 180 days, or more frequently if indicated by a clinical assessment~~ does not require nursing supervision;

(6) standards for client evaluation or assessment which may vary according to the nature of the services provided or the status of the consumer;

(7) requirements for the involvement of a consumer's physician, the documentation of physicians' orders, if required, and the consumer's treatment plan, and the maintenance of accurate, current clinical records;

(8) the establishment of different classes of licenses for different types of providers and different standards and requirements for different kinds of home care services; and

(9) operating procedures required to implement the home care bill of rights.

Sec. 6. Minnesota Statutes 2008, section 144A.45, is amended by adding a subdivision to read:

Subd. 1b. **Home health aide qualifications.** Notwithstanding the provisions of Minnesota Rules, part 4668.0100, subpart 5, a person may perform home health aide tasks if the person maintains current registration as a nursing assistant on the Minnesota nursing assistant registry. Maintaining current registration on the Minnesota nursing assistant registry satisfies the documentation requirements of Minnesota Rules, part 4668.0110, subpart 3.

Sec. 7. **[245B.031] ACCREDITATION, ALTERNATIVE INSPECTION, AND DEEMED COMPLIANCE.**

Subdivision 1. **Day training and habilitation or supported employment services programs; alternative inspection status.** (a) A license holder providing day training and habilitation services or supported employment services according to this chapter, with a three-year accreditation from the Commission on Rehabilitation Facilities, that has had at

24.1 least one on-site inspection by the commissioner following issuance of the initial license  
24.2 may request alternative inspection status under this section.

24.3 (b) The request for alternative inspection status must be made in the manner  
24.4 prescribed by the commissioner, and must include:

24.5 (1) a copy of the license holder's application to the Commission on Rehabilitation  
24.6 Facilities for accreditation;

24.7 (2) the most recent Commission on Rehabilitation Facilities accreditation survey  
24.8 report; and

24.9 (3) the most recent letter confirming the three-year accreditation and approval of the  
24.10 license holder's quality improvement plan.

24.11 Based on the request and the accompanying materials, the commissioner may approve  
24.12 alternative inspection status.

24.13 (c) Following approval of alternative inspection status, the commissioner may  
24.14 terminate the alternative inspection status or deny a subsequent alternative inspection  
24.15 status if the commissioner determines that any of the following conditions have occurred  
24.16 after approval of the alternative inspection process:

24.17 (1) the license holder has not maintained full three-year accreditation;

24.18 (2) the commissioner has substantiated maltreatment for which the license holder or  
24.19 facility is determined to be responsible during the three-year accreditation period; and

24.20 (3) during the three-year accreditation period, the license holder has been issued  
24.21 an order for conditional license, a fine, suspension, or license revocation that has not  
24.22 been reversed upon appeal.

24.23 (d) The commissioner's decision that the conditions for approval for the alternative  
24.24 licensing inspection status have not been met is final and not subject to appeal under the  
24.25 provisions of chapter 14.

24.26 **Subd. 2. Programs with three-year accreditation, exempt from certain statutes.**

24.27 (a) A license holder approved for alternative inspection status under this section is exempt  
24.28 from the requirements under:

24.29 (1) section 245B.04;

24.30 (2) section 245B.05, subdivisions 5 and 6;

24.31 (3) section 245B.06, subdivisions 1, 3, 4, 5, and 6; and

24.32 (4) section 245B.07, subdivisions 1, 4, and 6.

24.33 (b) Upon receipt of a complaint regarding a requirement under paragraph (a), the  
24.34 commissioner shall refer the complaint to the Commission on Rehabilitation Facilities for  
24.35 possible follow-up.

Subd. 3. **Programs with three-year accreditation, deemed to be in compliance with nonexempt licensing requirements.** (a) License holders approved for alternative inspection status under this section are required to maintain compliance with all licensing standards from which they are not exempt under subdivision 2, paragraph (a).

(b) License holders approved for alternative inspection status under this section shall be deemed to be in compliance with all nonexempt statutes, and the commissioner shall not perform routine licensing inspections.

(c) Upon receipt of a complaint regarding the services of a license holder approved for alternative inspection under this section that is not related to a licensing requirement from which the license holder is exempt under subdivision 2, the commissioner shall investigate the complaint and may take any action as provided under section 245A.06 or 245A.07.

Subd. 4. **Investigations of alleged maltreatment of minors or vulnerable adults.** Nothing in this section changes the commissioner's responsibilities to investigate alleged or suspected maltreatment of a minor under section 626.556 or vulnerable adult under section 626.557.

Subd. 5. **Commissioner request to the Commission on Rehabilitation Facilities to expand accreditation survey.** The commissioner shall submit a request to the Commission on Rehabilitation Facilities to routinely inspect for compliance with standards that are similar to the following nonexempt licensing requirements:

(1) section 245A.65;

(2) section 245A.66;

(3) section 245B.05, subdivisions 1, 2, and 7;

(4) section 245B.055;

(5) section 245B.06, subdivisions 2, 7, 9, and 10;

(6) section 245B.07, subdivisions 2, 5, and 8, paragraph (a), clause (7);

(7) section 245C.04, subdivision 1, paragraph (f);

(8) section 245C.07;

(9) section 245C.13, subdivision 2;

(10) section 245C.20; and

(11) Minnesota Rules, parts 9525.2700 to 9525.2810.

Sec. 8. Minnesota Statutes 2008, section 256.962, subdivision 6, is amended to read:

Subd. 6. **School districts and charter schools.** (a) At the beginning of each school year, a school district or charter school shall provide information to each student on the availability of health care coverage through the Minnesota health care programs.

~~(b) For each child who is determined to be eligible for the free and reduced-price school lunch program, the district shall provide the child's family with information on how to obtain an application for the Minnesota health care programs and application assistance.~~

~~(e)~~ A school district or charter school shall also ensure that applications and information on application assistance are available at early childhood education sites and public schools located within the district's jurisdiction.

~~(d)~~ (c) Each district shall designate an enrollment specialist to provide application assistance and follow-up services with families who have indicated an interest in receiving information or an application for the Minnesota health care program. A district is eligible for the application assistance bonus described in subdivision 5.

~~(e) Each~~ (d) If a school district or charter school maintains a district Web site, the school district or charter school shall provide on ~~their~~ its Web site a link to information on how to obtain an application and application assistance.

Sec. 9. Minnesota Statutes 2008, section 471.61, subdivision 1, is amended to read:

Subdivision 1. **Officers, employees.** A county, municipal corporation, town, school district, county extension committee, other political subdivision or other body corporate and politic of this state, other than the state or any department of the state, through its governing body, and any two or more subdivisions acting jointly through their governing bodies, may insure or protect its or their officers and employees, and their dependents, or any class or classes of officers, employees, or dependents, under a policy or policies or contract or contracts of group insurance or benefits covering life, health, and accident, in the case of employees, and medical and surgical benefits and hospitalization insurance or benefits for both employees and dependents or dependents of an employee whose death was due to causes arising out of and in the course of employment, or any one or more of those forms of insurance or protection. A governmental unit, including county extension committees and those paying their employees, may pay all or any part of the premiums or charges on the insurance or protection. A payment is deemed to be additional compensation paid to the officers or employees, but for purposes of determining contributions or benefits under a public pension or retirement system it is not deemed to be additional compensation. One or more governmental units may determine that a person is an officer or employee if the person receives income from the governmental subdivisions without regard to the manner of election or appointment, including but not limited to employees of county historical societies that receive funding from the county and employees of the Minnesota Inter-county Association. The appropriate officer of the governmental unit, or those disbursing county extension funds, shall deduct from

the salary or wages of each officer and employee who elects to become insured or so protected, on the officer's or employee's written order, all or part of the officer's or employee's share of premiums or charges and remit the share or portion to the insurer or company issuing the policy or contract.

A governmental unit, other than a school district, that pays all or part of the premiums or charges is authorized to levy and collect a tax, if necessary, in the next annual tax levy for the purpose of providing the necessary money for the payment of the premiums or charges, and the sums levied and appropriated are not, in the event the sum exceeds the maximum sum allowed by the charter of a municipal corporation, considered part of the cost of government of the governmental unit as defined in any levy or expenditure limitation; provided at least 50 percent of the cost of benefits on dependents must be contributed by the employee or be paid by levies within existing charter tax limitations.

The word "dependents" as used in this subdivision means spouse and minor unmarried children under the age of 18 years actually dependent upon the employee.

Notwithstanding any other law to the contrary, a political subdivision described in this subdivision may provide health benefits to its employees, dependents, and other eligible persons through negotiated contributions to self-funded multiemployer health and welfare funds.

**EFFECTIVE DATE.** This section is effective the day following final enactment; applies to contributions made before, on, or after that date; and is intended as a clarification of existing law.

## **ARTICLE 4**

### **PUBLIC SAFETY**

Section 1. Minnesota Statutes 2008, section 609.115, subdivision 1, is amended to read:

Subdivision 1. **Presentence investigation.** (a) When a defendant has been convicted of a misdemeanor or gross misdemeanor, the court may, and when the defendant has been convicted of a felony, the court shall, before sentence is imposed, cause a presentence investigation and written report to be made to the court concerning the defendant's individual characteristics, circumstances, needs, potentialities, criminal record and social history, the circumstances of the offense and the harm caused by it to others and to the community. At the request of the prosecutor in a gross misdemeanor case, the court shall order that a presentence investigation and report be prepared. The investigation shall be made by a probation officer of the court, if there is one; otherwise it shall be made by the commissioner of corrections. The officer conducting the presentence or predispositional

investigation shall make reasonable and good faith efforts to contact and provide the victim with the information required under section 611A.037, subdivision 2. Presentence investigations shall be conducted and summary hearings held upon reports and upon the sentence to be imposed upon the defendant in accordance with this section, section 244.10, and the Rules of Criminal Procedure.

(b) When the crime is a violation of sections 609.561 to 609.563, 609.5641, or 609.576 and involves a fire, the report shall include a description of the financial and physical harm the offense has had on the public safety personnel who responded to the fire. For purposes of this paragraph, "public safety personnel" means the state fire marshal; employees of the Division of the State Fire Marshal; firefighters, regardless of whether the firefighters receive any remuneration for providing services; peace officers, as defined in section 626.05, subdivision 2; individuals providing emergency management services; and individuals providing emergency medical services.

~~(c) When the crime is a felony violation of chapter 152 involving the sale or distribution of a controlled substance, the report shall include a description of any adverse social or economic effects the offense has had on persons who reside in the neighborhood where the offense was committed.~~

~~(d)~~ (c) The report shall also include the information relating to crime victims required under section 611A.037, subdivision 1. If the court directs, the report shall include an estimate of the prospects of the defendant's rehabilitation and recommendations as to the sentence which should be imposed. In misdemeanor cases the report may be oral.

~~(e)~~ (d) When a defendant has been convicted of a felony, and before sentencing, the court shall cause a sentencing worksheet to be completed to facilitate the application of the Minnesota Sentencing Guidelines. The worksheet shall be submitted as part of the presentence investigation report.

~~(f)~~ (e) When a person is convicted of a felony for which the Sentencing Guidelines presume that the defendant will be committed to the commissioner of corrections under an executed sentence and no motion for a sentencing departure has been made by counsel, the court may, when there is no space available in the local correctional facility, commit the defendant to the custody of the commissioner of corrections, pending completion of the presentence investigation and report. When a defendant is convicted of a felony for which the Sentencing Guidelines do not presume that the defendant will be committed to the commissioner of corrections, or for which the Sentencing Guidelines presume commitment to the commissioner but counsel has moved for a sentencing departure, the court may commit the defendant to the commissioner with the consent of the

29.1 commissioner, pending completion of the presentence investigation and report. The  
29.2 county of commitment shall return the defendant to the court when the court so orders.

29.3 **ARTICLE 5**

29.4 **LOCAL GOVERNMENT**

29.5 Section 1. Minnesota Statutes 2008, section 6.80, is amended by adding a subdivision  
29.6 to read:

29.7 Subd. 8. **Group applications.** Local government units similarly situated for the  
29.8 purposes of a specific administrative rule or state procedural law may submit a group  
29.9 application for a waiver or temporary exemption. The application must provide all of the  
29.10 information required in subdivision 2 with regard to each local government unit included  
29.11 in the application to the extent the information differs from any other local government  
29.12 unit included in the application. Each local government unit included must provide a  
29.13 copy of the application to the exclusive representative certified under section 179A.12  
29.14 to represent employees who provide the service or program affected by the requested  
29.15 waiver or exemption. Review of the group application shall be the same as for a single  
29.16 local government unit's application. If granted, the agreement must be the same for all  
29.17 included in the application and it applies to each local government unit that enters into the  
29.18 agreement with the state auditor.

29.19 Sec. 2. **[14.128] EFFECTIVE DATE FOR RULES REQUIRING LOCAL**  
29.20 **IMPLEMENTATION.**

29.21 Subdivision 1. **Determination.** An agency must determine if a local government  
29.22 will be required to adopt or amend an ordinance or other regulation to comply with a  
29.23 proposed agency rule. An agency must make this determination before the close of the  
29.24 hearing record or before the agency submits the record to the administrative law judge if  
29.25 there is no hearing. The administrative law judge must review and approve or disapprove  
29.26 the agency's determination. "Local government" means a town, county, or home rule  
29.27 charter or statutory city.

29.28 Subd. 2. **Effective dates.** If the agency determines that the proposed rule requires  
29.29 adoption or amendment of an ordinance or other regulation, or if the administrative law  
29.30 judge disapproves the agency's determination that the rule does not have this effect, the  
29.31 rule may not become effective until:

29.32 (1) the next July 1 or January 1 after notice of final adoption is published in the  
29.33 State Register; or

29.34 (2) a later date provided by law or specified in the proposed rule.

30.1           Subd. 3. **Exceptions.** Subdivision 2 does not apply:  
30.2           (1) to a rule adopted under section 14.388, 14.389, or 14.3895, or under another law  
30.3           specifying that the rulemaking procedures of this chapter do not apply;  
30.4           (2) if the agency has been directed by law to adopt the rule or to commence the  
30.5           rulemaking process;  
30.6           (3) if the administrative law judge approves an agency's determination that the rule  
30.7           has been proposed pursuant to a specific federal statutory or regulatory mandate that  
30.8           requires the rule to take effect before the date specified in subdivision 1; or  
30.9           (4) if the governor waives application of subdivision 2.

30.10          Sec. 3. Minnesota Statutes 2008, section 168.33, subdivision 7, is amended to read:

30.11          Subd. 7. **Filing fees; allocations.** (a) In addition to all other statutory fees and  
30.12 taxes, a filing fee of:

30.13           (1) \$4.50 is imposed on every vehicle registration renewal, excluding pro rate  
30.14 transactions; and

30.15           (2) \$8.50 is imposed on every other type of vehicle transaction, including pro rate  
30.16 transactions;

30.17 except that a filing fee may not be charged for a document returned for a refund or for  
30.18 a correction of an error made by the Department of Public Safety, a dealer, or a deputy  
30.19 registrar. The filing fee must be shown as a separate item on all registration renewal  
30.20 notices sent out by the commissioner. No filing fee or other fee may be charged for the  
30.21 permanent surrender of a title for a vehicle.

30.22           (b) The fees imposed under paragraph (a) may be paid by credit card or debit  
30.23 card. The deputy registrar may collect a surcharge on the fee not to exceed the cost of  
30.24 processing a credit card or debit card transaction, in accordance with emergency rules  
30.25 established by the commissioner of public safety.

30.26           (c) All of the fees collected under paragraph (a), clause (1), by the department, must  
30.27 be paid into the vehicle services operating account in the special revenue fund under  
30.28 section 299A.705. Of the fee collected under paragraph (a), clause (2), by the department,  
30.29 \$3.50 must be paid into the general fund with the remainder deposited into the vehicle  
30.30 services operating account in the special revenue fund under section 299A.705.

30.31           **EFFECTIVE DATE.** This section is effective for fees collected after July 31, 2009.

30.32          Sec. 4. Minnesota Statutes 2008, section 211B.37, is amended to read:

30.33           **211B.37 COSTS ASSESSED.**

Subdivision 1. **Cost of proceedings; statewide ballot questions.** Except as otherwise provided in subdivision 2 and section 211B.36, subdivision 3, the chief administrative law judge shall assess the cost of considering complaints filed under section 211B.32 as provided in this section. Costs of complaints relating to a statewide ballot question or an election for a statewide or legislative office must be assessed against the appropriation from the general fund to the general account of the state elections campaign fund in section 10A.31, subdivision 4. Costs of complaints relating to any other ballot question or elective office must be assessed ~~against the county or counties in which the election is held. Where the election is held in more than one county, the chief administrative law judge shall apportion the assessment among the counties in proportion to their respective populations within the election district to which the complaint relates according to the most recent decennial federal census~~ as provided in subdivision 2.

Subd. 2. **Cost of proceedings; other ballot questions.** The costs of complaints relating to a ballot question other than a statewide ballot question or an election other than an election for a statewide or legislative office must be paid by the parties in the proportions that they agree to. Notwithstanding section 14.53 or other law, the Office of Administrative Hearings is not liable for the costs. If the parties do not agree to a division of the costs before the commencement of mediation, arbitration, or hearing, the costs must be allocated on an equitable basis by the mediator, arbitrator, or chief administrative law judge. The chief administrative law judge may contract with the parties to a matter for the purpose of providing administrative law judges and reporters for an administrative proceeding or alternative dispute resolution. The chief administrative law judge shall assess the cost of services rendered by the Office of Administrative Hearings as provided by section 14.53.

Sec. 5. Minnesota Statutes 2008, section 306.243, is amended by adding a subdivision to read:

Subd. 6. **Abandonment; end of operation as cemetery.** A county that has accepted responsibility for an abandoned cemetery may prohibit further burials in the abandoned cemetery, and may cease all acceptance of responsibility for new burials.

Sec. 6. Minnesota Statutes 2008, section 326B.145, is amended to read:

**326B.145 ANNUAL REPORT.**

~~Beginning with the first report filed by June 30, 2003,~~ Each municipality shall annually report by June 30 to the department, in a format prescribed by the department, all construction and development-related fees collected by the municipality from developers,

builders, and subcontractors if the cumulative fees collected exceeded \$5,000 in the reporting year, except that, for reports due June 30, 2009, to June 30, 2013, the reporting threshold is \$10,000. The report must include:

(1) the number and valuation of units for which fees were paid;

(2) the amount of building permit fees, plan review fees, administrative fees, engineering fees, infrastructure fees, and other construction and development-related fees; and

(3) the expenses associated with the municipal activities for which fees were collected.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 7. Minnesota Statutes 2008, section 344.18, is amended to read:

**344.18 COMPENSATION OF VIEWERS.**

Fence viewers must be paid for their services by the person employing them ~~at the rate of \$15 each for each day's employment. \$60 must be deposited with the town or city treasurer before the service is performed. Upon completion of the service, any of the \$60 not spent to compensate the fence viewers must be returned to the depositor.~~ The town board may by resolution require the person employing the fence viewers to post a bond or other security acceptable to the board for the total estimated costs before the viewing takes place. The total estimated costs may include the cost of professional and other services, hearing costs, administrative costs, recording costs, and other costs and expenses the town may incur in connection with the viewing.

Sec. 8. Minnesota Statutes 2008, section 365.28, is amended to read:

**365.28 PUBLIC BURIAL GROUND IS TOWN'S AFTER TEN YEARS.**

A tract of land in a town becomes town property after it has been used as a public burial ground for ten years if the tract is not owned by a cemetery association. The town board shall control the burial ground as it controls other town cemeteries. A town that has accepted responsibility for an abandoned cemetery may prohibit further burials in the abandoned cemetery, and may cease all acceptance of responsibility for new burials.

Sec. 9. Minnesota Statutes 2008, section 375.12, subdivision 2, is amended to read:

Subd. 2. **Small claims totaled.** Individualized itemized accounts, claims or demands allowed by the county board pursuant to section 471.38, subdivision 1, need not be published pursuant to subdivision 1, if the amount allowed from each claim is ~~\$300~~

33.1 \$2,000 or less. The official proceedings following the itemization of accounts required  
33.2 shall contain a statement showing the total number of claims that did not exceed ~~\$300~~  
33.3 \$2,000 and their total dollar amount.

33.4 Sec. 10. Minnesota Statutes 2008, section 382.265, is amended to read:

33.5 **382.265 CLERK HIRE IN CERTAIN COUNTIES.**

33.6 In all counties of this state where the amount of clerk hire now or hereafter provided  
33.7 by law for any county office shall be insufficient to meet the requirements of said office,  
33.8 the county officer in need of additional clerk hire shall prepare a petition and statement  
33.9 setting forth therein the amount of additional clerk hire needed and file the same with the  
33.10 county auditor, who shall present the same to the board of county commissioners at the  
33.11 next meeting of said board. If the board of county commissioners shall grant said petition  
33.12 by majority vote of all members elected to the board, then the amount of additional clerk  
33.13 hire requested in said petition shall thereupon become effective for said office. Said board  
33.14 shall act on any such petition within 60 days from the time it has been filed with the  
33.15 county auditor. If the board of county commissioners shall determine that the amount of  
33.16 additional clerk hire requested in said petition is excessive and more than is necessary for  
33.17 said office, it shall fix the amount of such additional clerk hire to be allowed, if any, and  
33.18 notify such officer thereof. ~~If said county officer or any taxpayer of the county shall be~~  
33.19 ~~dissatisfied with the decision of the board of county commissioners, the officer may, at~~  
33.20 ~~the officer's own expense, within ten days after the decision of said board, appeal to the~~  
33.21 ~~district court. The district court, either in term or vacation and upon ten days' notice to~~  
33.22 ~~the chair of the board of county commissioners, shall hear such appeal and summarily~~  
33.23 ~~determine the amount of additional clerk hire needed by an order, a copy of which shall~~  
33.24 ~~be filed with the county auditor.~~

33.25 Sec. 11. Minnesota Statutes 2008, section 384.151, subdivision 1a, is amended to read:

33.26 Subd. 1a. **Implementation.** (a) The county board of each of the counties ~~specified~~  
33.27 ~~in subdivision 1~~ of less than 75,000 population annually shall set by resolution the salary  
33.28 of the county auditor which shall be paid to the county auditor at such intervals as the  
33.29 board shall determine but not less often than once each month.

33.30 (b) At the January meeting prior to the first date on which applicants may file for the  
33.31 office of county auditor the board shall set by resolution the minimum salary to be paid the  
33.32 county auditor for the term next following.

(c) In the event a vacancy occurs in the office of county auditor the board may set the annual salary for the remainder of the calendar year at an amount less than was set for that year.

~~(d) The board, in any case specified in this subdivision, may not set the annual salary at an amount less than the minimums provided in this subdivision but it may set the salary in excess of such minimums.~~

~~(e)~~ (d) The salary of the county auditor shall not be reduced during the term for which the auditor was elected or appointed.

~~(f)~~ (e) In the event that duties are assigned to the auditor which are in addition to duties as auditor, additional compensation may be provided for the additional duties. The county board by resolution shall determine the additional compensation which shall be paid and specify the duties for which the additional compensation is to be paid.

Sec. 12. Minnesota Statutes 2008, section 385.373, subdivision 1a, is amended to read:

Subd. 1a. **Implementation.** (a) The county board of each of the counties ~~specified in subdivision 1~~ of less than 75,000 population annually shall set by resolution the salary of the county treasurer which shall be paid to the county treasurer at such intervals as the board shall determine but not less often than once each month.

(b) At the January meeting prior to the first date on which applicants may file for the office of county treasurer the board shall set by resolution the minimum salary to be paid the county treasurer for the term next following.

(c) In the event a vacancy occurs in the office of county treasurer the board may set the annual salary for the remainder of the calendar year at an amount less than was set for that year.

~~(d) The board in no case may set the annual salary at an amount less than the minimums provided in this subdivision but it may set the salary in excess of the minimums.~~

~~(e)~~ (d) The salary of the county treasurer shall not be reduced during the term for which the treasurer was elected or appointed.

~~(f)~~ (e) In the event that duties are assigned to the treasurer which are in addition to duties as treasurer, additional compensation may be provided for the additional duties. The county board by resolution shall determine the additional compensation which shall be paid and specify the duties for which the additional compensation is to be paid.

Sec. 13. Minnesota Statutes 2008, section 386.015, subdivision 2, is amended to read:

Subd. 2. **Board's salary procedure.** (a) The county board of each of the counties ~~specified in subdivision 1~~ of less than 75,000 population annually shall set by resolution

the salary of the county recorder which shall be paid to the county recorder at such intervals as the board shall determine but not less often than once each month.

(b) At the January meeting prior to the first date on which applicants may file for the office of county recorder the board shall set by resolution the minimum salary to be paid county recorder for the term next following.

(c) In the event a vacancy occurs in the office of the county recorder the board may set the annual salary for the remainder of the calendar year at an amount less than was set for that year.

~~(d) The board in any case specified in this subdivision may not set the annual salary at an amount less than the minimum provided in subdivision 1 but it may set the salary in excess of such minimums.~~

~~(e)~~ (d) The salary of the county recorder shall not be reduced during the term for which the recorder is elected or appointed.

~~(f)~~ (e) In the event that duties are assigned to the county recorder which are in addition to duties as county recorder, additional compensation may be provided for the additional duties. The county board by resolution shall determine the additional compensation which shall be paid and specify the duties for which the additional compensation is to be paid.

Sec. 14. Minnesota Statutes 2008, section 387.13, is amended to read:

**387.13 PROHIBITIONS.**

No sheriff, or deputy sheriff, ~~or coroner~~ shall appear or practice as an attorney, solicitor, or counselor at law in any court, or draw or fill up any process, pleading, or paper for any party in any action or proceeding, nor, with intent to be employed in the collection of any demand or the service of any process, advise or counsel any person to commence an action or proceeding; ~~nor shall any.~~ This prohibition does not apply to a deputy sheriff who is acting with the approval of the appointing sheriff. A sheriff ~~he~~ is not eligible to any hold other elective office. A sheriff, or deputy sheriff, ~~or coroner~~ violating ~~any of the provisions of~~ this section is guilty of a petty misdemeanor.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 15. Minnesota Statutes 2008, section 387.20, subdivision 1, is amended to read:

Subdivision 1. **Counties under 75,000.** ~~(a) The sheriffs of all counties of the state with less than 75,000 inhabitants according to the 1960 federal census shall receive yearly~~

salaries for all services rendered by them for their respective counties, not less than the following amounts according to the then last preceding federal census:

(1) in counties with less than 10,000 inhabitants, \$6,000;

(2) in counties with 10,000 but less than 20,000 inhabitants, \$6,500;

(3) in counties with 20,000 but less than 30,000 inhabitants, \$7,000;

(4) in counties with 30,000 but less than 40,000 inhabitants, \$7,500;

(5) in counties with 40,000 or more inhabitants, \$8,000.

(b) (a) In addition to ~~such~~ the sheriff's salary ~~each~~, the sheriff shall be reimbursed for all expenses incurred in the performance of official duties for the sheriff's county and the claim for ~~such~~ the expenses shall be prepared, allowed, and paid in the same manner as other claims against counties are prepared, allowed, and paid except that the expenses incurred by ~~such~~ the sheriffs in the performance of service required of them in connection with insane persons either by a district court or by law and a per diem for deputies and assistants necessarily required under ~~such~~ the performance of ~~such~~ the services shall be allowed and paid as provided by the law regulating the apprehension, examination, and commitment of insane persons; provided that any sheriff or deputy receiving an annual salary shall pay over any per diem received to the county in the manner and at the time prescribed by the county board, but not less often than once each month.

(c) (b) All claims for livery hire shall state the purpose for which such livery was used and have attached thereto a receipt for the amount paid for such livery signed by the person of whom it was hired.

(d) (c) A county may pay a sheriff or deputy as compensation for the use of a personal automobile in the performance of official duties a mileage allowance prescribed by the county board or a monthly or other periodic allowance in lieu of mileage. The allowance for automobile use is not subject to limits set by other law.

Sec. 16. Minnesota Statutes 2008, section 387.20, subdivision 2, is amended to read:

Subd. 2. **Board procedure, details.** (a) The county board of each of the counties ~~specified in this section~~ of less than 75,000 population annually shall set by resolution the salary of the county sheriff which shall be paid to the county sheriff at such intervals as the board shall determine, but not less often than once each month.

(b) At the January meeting prior to the first date on which applicants may file for the office of county sheriff the board shall set by resolution the minimum salary to be paid the county sheriff for the term next following.

(c) In the event a vacancy occurs in the office of county sheriff, the board may set the annual salary for the remainder of the calendar year at an amount less than was set for that year.

~~(d) The board in any case specified in this subdivision may not set the annual salary at an amount less than the minimum provided in this subdivision, but it may set the salary in excess of such minimums.~~

~~(e)~~ (d) The salary of the county sheriff shall not be reduced during the term for which the sheriff was elected or appointed.

Sec. 17. Minnesota Statutes 2008, section 429.041, subdivision 1, is amended to read:

Subdivision 1. **Plans and specifications, advertisement for bids.** When the council determines to make any improvement, it shall let the contract for all or part of the work, or order all or part of the work done by day labor or otherwise as authorized by subdivision 2, no later than one year after the adoption of the resolution ordering such improvement, unless a different time limit is specifically stated in the resolution ordering the improvement. The council shall cause plans and specifications of the improvement to be made, or if previously made, to be modified, if necessary, and to be approved and filed with the clerk, and if the estimated cost exceeds ~~\$50,000~~ the amount in section 471.345, subdivision 3, shall advertise for bids for the improvement in the newspaper and such other papers and for such length of time as it may deem advisable. If the estimated cost exceeds ~~\$100,000~~ twice the amount in section 471.345, subdivision 3, publication shall be made no less than three weeks before the last day for submission of bids once in the newspaper and at least once in either a newspaper published in a city of the first class or a trade paper. To be eligible as such a trade paper, a publication shall have all the qualifications of a legal newspaper except that instead of the requirement that it shall contain general and local news, such trade paper shall contain building and construction news of interest to contractors in this state, among whom it shall have a general circulation. The advertisement shall specify the work to be done, shall state the time when the bids will be publicly opened for consideration by the council, which shall be not less than ten days after the first publication of the advertisement when the estimated cost is less than ~~\$100,000~~ twice the amount in section 471.345, subdivision 3, and not less than three weeks after such publication in other cases, and shall state that no bids will be considered unless sealed and filed with the clerk and accompanied by a cash deposit, cashier's check, bid bond, or certified check payable to the clerk, for such percentage of the amount of the bid as the council may specify. In providing for the advertisement for bids the council may direct that the bids shall be opened publicly by two or more designated officers or

agents of the municipality and tabulated in advance of the meeting at which they are to be considered by the council. Nothing herein shall prevent the council from advertising separately for various portions of the work involved in an improvement, or from itself, supplying by such means as may be otherwise authorized by law, all or any part of the materials, supplies, or equipment to be used in the improvement or from combining two or more improvements in a single set of plans and specifications or a single contract.

Sec. 18. Minnesota Statutes 2008, section 429.041, subdivision 2, is amended to read:

Subd. 2. **Contracts; day labor.** In contracting for an improvement, the council shall require the execution of one or more written contracts and bonds, conditioned as required by law. The council shall award the contract to the lowest responsible bidder or it may reject all bids. If any bidder to whom a contract is awarded fails to enter promptly into a written contract and to furnish the required bond, the defaulting bidder shall forfeit to the municipality the amount of the defaulter's cash deposit, cashier's check, bid bond, or certified check, and the council may thereupon award the contract to the next lowest responsible bidder. When it appears to the council that the cost of the entire work projected will be less than ~~\$50,000~~ the amount in section 471.345, subdivision 3, or whenever no bid is submitted after proper advertisement or the only bids submitted are higher than the engineer's estimate, the council may advertise for new bids or, without advertising for bids, directly purchase the materials for the work and do it by the employment of day labor or in any other manner the council considers proper. The council may have the work supervised by the city engineer or other qualified person but shall have the work supervised by a registered engineer if done by day labor and it appears to the council that the entire cost of all work and materials for the improvement will be more than ~~\$25,000~~ the lowest amount in section 471.345, subdivision 4. In case of improper construction or unreasonable delay in the prosecution of the work by the contractor, the council may order and cause the suspension of the work at any time and relet the contract, or order a reconstruction of any portion of the work improperly done, and where the cost of completion or reconstruction necessary will be less than ~~\$50,000~~ the amount in section 471.345, subdivision 3, the council may do it by the employment of day labor.

Sec. 19. Minnesota Statutes 2008, section 469.015, is amended to read:

**469.015 LETTING OF CONTRACTS; PERFORMANCE BONDS.**

Subdivision 1. **Bids; notice.** All construction work, and work of demolition or clearing, and every purchase of equipment, supplies, or materials, necessary in carrying out the purposes of sections 469.001 to 469.047, that involve expenditure of ~~\$50,000~~ the

amount in section 471.345, subdivision 3, or more shall be awarded by contract. Before receiving bids the authority shall publish, once a week for two consecutive weeks in an official newspaper of general circulation in the community a notice that bids will be received for that construction work, or that purchase of equipment, supplies, or materials. The notice shall state the nature of the work and the terms and conditions upon which the contract is to be let, naming a time and place where bids will be received, opened and read publicly, which time shall be not less than seven days after the date of the last publication. After the bids have been received, opened and read publicly and recorded, the authority shall award the contract to the lowest responsible bidder, provided that the authority reserves the right to reject any or all bids. Each contract shall be executed in writing, and the person to whom the contract is awarded shall give sufficient bond to the authority for its faithful performance. If no satisfactory bid is received, the authority may readvertise. The authority may establish reasonable qualifications to determine the fitness and responsibility of bidders and to require bidders to meet the qualifications before bids are accepted.

Subd. 1a. **Best value alternative.** As an alternative to the procurement method described in subdivision 1, the authority may issue a request for proposals and award the contract to the vendor or contractor offering the best value under a request for proposals as described in section 16C.28, subdivision 1, paragraph (a), clause (2), and paragraph (c).

Subd. 2. **Exception; emergency.** If the authority by a vote of four-fifths of its members shall declare that an emergency exists requiring the immediate purchase of any equipment or material or supplies at a cost in excess of ~~\$50,000~~ the amount in section 471.345, subdivision 3, but not exceeding ~~\$75,000~~ one-half again as much as the amount in section 471.345, subdivision 3, or making of emergency repairs, it shall not be necessary to advertise for bids, but the material, equipment, or supplies may be purchased in the open market at the lowest price obtainable, or the emergency repairs may be contracted for or performed without securing formal competitive bids. An emergency, for purposes of this subdivision, shall be understood to be unforeseen circumstances or conditions which result in the placing in jeopardy of human life or property.

Subd. 3. **Performance and payment bonds.** Performance and payment bonds shall be required from contractors for any works of construction as provided in and subject to all the provisions of sections 574.26 to 574.31 except for contracts entered into by an authority for an expenditure of less than ~~\$50,000~~ the minimum threshold amount in section 471.345, subdivision 3.

Subd. 4. **Exceptions.** (a) An authority need not require competitive bidding in the following circumstances:

(1) in the case of a contract for the acquisition of a low-rent housing project:

- 40.1 (i) for which financial assistance is provided by the federal government;
- 40.2 (ii) which does not require any direct loan or grant of money from the municipality
- 40.3 as a condition of the federal financial assistance; and
- 40.4 (iii) for which the contract provides for the construction of the project upon land that
- 40.5 is either owned by the authority for redevelopment purposes or not owned by the authority
- 40.6 at the time of the contract but the contract provides for the conveyance or lease to the
- 40.7 authority of the project or improvements upon completion of construction;
- 40.8 (2) with respect to a structured parking facility:
- 40.9 (i) constructed in conjunction with, and directly above or below, a development; and
- 40.10 (ii) financed with the proceeds of tax increment or parking ramp general obligation
- 40.11 or revenue bonds;
- 40.12 (3) until August 1, 2009, with respect to a facility built for the purpose of facilitating
- 40.13 the operation of public transit or encouraging its use:
- 40.14 (i) constructed in conjunction with, and directly above or below, a development; and
- 40.15 (ii) financed with the proceeds of parking ramp general obligation or revenue bonds
- 40.16 or with at least 60 percent of the construction cost being financed with funding provided
- 40.17 by the federal government; and
- 40.18 (4) in the case of any building in which at least 75 percent of the usable square
- 40.19 footage constitutes a housing development project if:
- 40.20 (i) the project is financed with the proceeds of bonds issued under section 469.034 or
- 40.21 from nongovernmental sources;
- 40.22 (ii) the project is either located on land that is owned or is being acquired by the
- 40.23 authority only for development purposes, or is not owned by the authority at the time the
- 40.24 contract is entered into but the contract provides for conveyance or lease to the authority
- 40.25 of the project or improvements upon completion of construction; and
- 40.26 (iii) the authority finds and determines that elimination of the public bidding
- 40.27 requirements is necessary in order for the housing development project to be economical
- 40.28 and feasible.
- 40.29 (b) An authority need not require a performance bond for the following projects:
- 40.30 (1) a contract described in paragraph (a), clause (1);
- 40.31 (2) a construction change order for a housing project in which 30 percent of the
- 40.32 construction has been completed;
- 40.33 (3) a construction contract for a single-family housing project in which the authority
- 40.34 acts as the general construction contractor; or
- 40.35 (4) a services or materials contract for a housing project.

For purposes of this paragraph, "services or materials contract" does not include construction contracts.

Subd. 5. **Security in lieu of bond.** The authority may accept a certified check or cashier's check in the same amount as required for a bond in lieu of a performance bond for contracts entered into by an authority for an expenditure of less than ~~\$50,000~~ the minimum threshold amount in section 471.345, subdivision 3. The check must be held by the authority for 90 days after the contract has been completed. If no suit is brought within the 90 days, the authority must return the amount of the check to the person making it. If a suit is brought within the 90-day period, the authority must disburse the amount of the check pursuant to the order of the court.

Sec. 20. Minnesota Statutes 2008, section 471.661, is amended to read:

**471.661 OUT-OF-STATE TRAVEL.**

~~By January 1, 2006,~~ The governing body of each statutory or home rule charter city, county, school district, regional agency, or other political subdivision, except a town, must ~~develop~~ have on record a policy that controls travel outside the state of Minnesota for the applicable elected officials of the relevant unit of government. The policy must be approved by a recorded vote and specify:

- (1) when travel outside the state is appropriate;
- (2) applicable expense limits; and
- (3) procedures for approval of the travel.

The policy must be made available for public inspection upon request ~~and reviewed annually~~. Subsequent changes to the policy must be approved by a recorded vote.

Sec. 21. Minnesota Statutes 2008, section 473.862, is amended to read:

**473.862 METRO COUNTIES OTHER THAN HENNEPIN, RAMSEY, ANOKA, AND DAKOTA.**

Subdivision 1. **Contents of plan.** Comprehensive plans of counties shall contain at least the following:

- (a) Except for the counties of Hennepin ~~and~~ Ramsey, Anoka, and Dakota, a land use plan as specified in section 473.859, subdivision 2, for all unincorporated territory within the county;
- (b) A public facilities plan which shall include all appropriate matters specified in section 473.859, subdivision 3, including a transportation plan, and a description of existing and projected solid waste disposal sites and facilities;
- (c) An implementation program, as specified in section 473.859, subdivision 4.

Subd. 2. **Towns with no plan by 1976.** Each county other than Hennepin ~~and~~<sub>2</sub> Ramsey, Anoka, and Dakota shall prepare, with the participation and assistance of the town, the comprehensive plan for any town within the county which fails by December 31, 1976, to take action by resolution pursuant to section 473.861, subdivision 2 and shall prepare all or part of any plan delegated to it pursuant to section 473.861, subdivision 2.

Subd. 3. **Towns that cannot plan.** Each county other than Hennepin ~~and~~<sub>2</sub> Ramsey, Anoka, and Dakota shall prepare, with the participation and assistance of the town, the comprehensive plan for each town within the county not authorized to plan under sections 462.351 to 462.364, or under special law.

Sec. 22. **RECORD RETENTION TASK FORCE; REPORT TO LEGISLATURE.**

The Records Retention Task Force of the Minnesota Clerks and Finance Officers Association, in conjunction with the Minnesota Historical Society, must conduct a study to review the permanent retention schedules applicable to the records of all governmental bodies in the state. The task force study must contain recommendations for future methods of determining the appropriate time for the retention of various classes of records maintained by the governmental bodies and the task force must report its findings to the appropriate standing committees of the senate and house of representatives whose jurisdiction includes the maintenance of public records by February 15, 2010.

Sec. 23. **REPEALER.**

Minnesota Statutes 2008, sections 373.42; 384.151, subdivisions 1 and 3; 385.373, subdivisions 1 and 3; 386.015, subdivisions 1 and 4; and 387.20, subdivision 4, are repealed.

**ARTICLE 6**

**TAXES**

Section 1. Minnesota Statutes 2008, section 123B.10, subdivision 1, is amended to read:

Subdivision 1. **Budgets; form of notification.** (a) Every board must publish revenue and expenditure budgets for the current year and the actual revenues, expenditures, fund balances for the prior year and projected fund balances for the current year in a form prescribed by the commissioner within one week of the acceptance of the final audit by the board, or November 30, whichever is earlier. The forms prescribed must be designed so that year to year comparisons of revenue, expenditures and fund balances can be made.

(b) A school board annually must notify the public of its revenue, expenditures, fund balances, and other relevant budget information. The board must ~~include the budget~~

43.1 ~~information required by this section in the materials provided as a part of its truth in~~  
43.2 ~~taxation hearing,~~ post the materials in a conspicuous place on the district's official Web  
43.3 site, including a link to the district's school report card on the Department of Education's  
43.4 Web site, and publish the information in a qualified newspaper of general circulation  
43.5 in the district.

43.6 **EFFECTIVE DATE.** This section is effective for taxes payable in 2010 and  
43.7 thereafter.

43.8 Sec. 2. Minnesota Statutes 2008, section 275.065, subdivision 1, is amended to read:

43.9 Subdivision 1. **Proposed levy.** (a) Notwithstanding any law or charter to the  
43.10 contrary, on or before September 15, each taxing authority, other than a school district,  
43.11 shall adopt a proposed budget and shall certify to the county auditor the proposed or, in  
43.12 the case of a town, the final property tax levy for taxes payable in the following year.

43.13 (b) On or before September 30, each school district that has not mutually agreed  
43.14 with its home county to extend this date shall certify to the county auditor the proposed  
43.15 property tax levy for taxes payable in the following year. Each school district that has  
43.16 agreed with its home county to delay the certification of its proposed property tax levy  
43.17 must certify its proposed property tax levy for the following year no later than October  
43.18 7. The school district shall certify the proposed levy as:

43.19 (1) a specific dollar amount by school district fund, broken down between  
43.20 voter-approved and non-voter-approved levies and between referendum market value  
43.21 and tax capacity levies; or

43.22 (2) the maximum levy limitation certified by the commissioner of education  
43.23 according to section 126C.48, subdivision 1.

43.24 (c) If the board of estimate and taxation or any similar board that establishes  
43.25 maximum tax levies for taxing jurisdictions within a first class city certifies the maximum  
43.26 property tax levies for funds under its jurisdiction by charter to the county auditor by  
43.27 September 15, the city shall be deemed to have certified its levies for those taxing  
43.28 jurisdictions.

43.29 (d) For purposes of this section, "taxing authority" includes all home rule and  
43.30 statutory cities, towns, counties, school districts, and special taxing districts as defined  
43.31 in section 275.066. Intermediate school districts that levy a tax under chapter 124 or  
43.32 136D, joint powers boards established under sections 123A.44 to 123A.446, and Common  
43.33 School Districts No. 323, Franconia, and No. 815, Prinsburg, are also special taxing  
43.34 districts for purposes of this section.

44.1           (e) At the meeting at which the taxing authority adopts its proposed tax levy  
44.2           under paragraph (a) or (b), the taxing authority shall announce the time and place of its  
44.3           subsequent regularly scheduled meetings at which the budget and levy will be discussed  
44.4           and at which the public will be allowed to speak. The time and place of those meetings  
44.5           must be included in the proceedings or summary of proceedings published in the official  
44.6           newspaper of the taxing authority under sections 123B.09, 375.12, or 412.191.

44.7           Sec. 3. Minnesota Statutes 2008, section 275.065, subdivision 3, is amended to read:

44.8           Subd. 3. **Notice of proposed property taxes.** (a) The county auditor shall prepare  
44.9           and the county treasurer shall deliver after November 10 and on or before November 24  
44.10          each year, by first class mail to each taxpayer at the address listed on the county's current  
44.11          year's assessment roll, a notice of proposed property taxes. Upon written request by  
44.12          the taxpayer, the treasurer may send the notice in electronic form or by electronic mail  
44.13          instead of on paper or by ordinary mail.

44.14          (b) The commissioner of revenue shall prescribe the form of the notice.

44.15          (c) The notice must inform taxpayers that it contains the amount of property taxes  
44.16          each taxing authority proposes to collect for taxes payable the following year. In the  
44.17          case of a town, or in the case of the state general tax, the final tax amount will be its  
44.18          proposed tax. ~~In the case of taxing authorities required to hold a public meeting under~~  
44.19          ~~subdivision 6, the notice must clearly state that each taxing authority, including regional~~  
44.20          ~~library districts established under section 134.201, and including the metropolitan taxing~~  
44.21          ~~districts as defined in paragraph (i), but excluding all other special taxing districts and~~  
44.22          ~~towns, will hold a public meeting to receive public testimony on the proposed budget and~~  
44.23          ~~proposed or final property tax levy, or, in case of a school district, on the current budget~~  
44.24          ~~and proposed property tax levy. The notice must clearly state for each city, county, school~~  
44.25          ~~district, regional library authority established under section 134.201, and metropolitan~~  
44.26          ~~taxing districts as defined in paragraph (i), the time and place of the taxing authorities'~~  
44.27          ~~regularly scheduled meetings in which the budget and levy will be discussed and the final~~  
44.28          ~~budget and levy determined, which must occur after November 24. The taxing authorities~~  
44.29          ~~must provide the county auditor with the information to be included in the notice on or~~  
44.30          ~~before the time it certifies its proposed levy under subdivision 1. The public must be~~  
44.31          ~~allowed to speak at the meetings. It must clearly state the time and place of each taxing~~  
44.32          ~~authority's meeting, provide a telephone number for the taxing authority that taxpayers~~  
44.33          ~~may call if they have questions related to the notice, and an address where comments~~  
44.34          ~~will be received by mail.~~

44.35          (d) The notice must state for each parcel:

(1) the market value of the property as determined under section 273.11, and used for computing property taxes payable in the following year and for taxes payable in the current year as each appears in the records of the county assessor on November 1 of the current year; and, in the case of residential property, whether the property is classified as homestead or nonhomestead. The notice must clearly inform taxpayers of the years to which the market values apply and that the values are final values;

(2) the items listed below, shown separately by county, city or town, and state general tax, net of the residential and agricultural homestead credit under section 273.1384, voter approved school levy, other local school levy, and the sum of the special taxing districts, and as a total of all taxing authorities:

(i) the actual tax for taxes payable in the current year; and

(ii) the proposed tax amount.

If the county levy under clause (2) includes an amount for a lake improvement district as defined under sections 103B.501 to 103B.581, the amount attributable for that purpose must be separately stated from the remaining county levy amount.

In the case of a town or the state general tax, the final tax shall also be its proposed tax unless the town changes its levy at a special town meeting under section 365.52. If a school district has certified under section 126C.17, subdivision 9, that a referendum will be held in the school district at the November general election, the county auditor must note next to the school district's proposed amount that a referendum is pending and that, if approved by the voters, the tax amount may be higher than shown on the notice. In the case of the city of Minneapolis, the levy for Minneapolis Park and Recreation shall be listed separately from the remaining amount of the city's levy. In the case of the city of St. Paul, the levy for the St. Paul Library Agency must be listed separately from the remaining amount of the city's levy. In the case of Ramsey County, any amount levied under section 134.07 may be listed separately from the remaining amount of the county's levy. In the case of a parcel where tax increment or the fiscal disparities areawide tax under chapter 276A or 473F applies, the proposed tax levy on the captured value or the proposed tax levy on the tax capacity subject to the areawide tax must each be stated separately and not included in the sum of the special taxing districts; and

(3) the increase or decrease between the total taxes payable in the current year and the total proposed taxes, expressed as a percentage.

For purposes of this section, the amount of the tax on homesteads qualifying under the senior citizens' property tax deferral program under chapter 290B is the total amount of property tax before subtraction of the deferred property tax amount.

(e) The notice must clearly state that the proposed or final taxes do not include the following:

- (1) special assessments;
- (2) levies approved by the voters after the date the proposed taxes are certified, including bond referenda and school district levy referenda;
- (3) a levy limit increase approved by the voters by the first Tuesday after the first Monday in November of the levy year as provided under section 275.73;
- (4) amounts necessary to pay cleanup or other costs due to a natural disaster occurring after the date the proposed taxes are certified;
- (5) amounts necessary to pay tort judgments against the taxing authority that become final after the date the proposed taxes are certified; and
- (6) the contamination tax imposed on properties which received market value reductions for contamination.

(f) Except as provided in subdivision 7, failure of the county auditor to prepare or the county treasurer to deliver the notice as required in this section does not invalidate the proposed or final tax levy or the taxes payable pursuant to the tax levy.

(g) If the notice the taxpayer receives under this section lists the property as nonhomestead, and satisfactory documentation is provided to the county assessor by the applicable deadline, and the property qualifies for the homestead classification in that assessment year, the assessor shall reclassify the property to homestead for taxes payable in the following year.

(h) In the case of class 4 residential property used as a residence for lease or rental periods of 30 days or more, the taxpayer must either:

- (1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or
- (2) post a copy of the notice in a conspicuous place on the premises of the property.

The notice must be mailed or posted by the taxpayer by November 27 or within three days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to which the notice must be mailed in order to fulfill the requirements of this paragraph.

(i) For purposes of this subdivision, subdivisions 5a and 6, "metropolitan special taxing districts" means the following taxing districts in the seven-county metropolitan area that levy a property tax for any of the specified purposes listed below:

- (1) Metropolitan Council under section 473.132, 473.167, 473.249, 473.325, 473.446, 473.521, 473.547, or 473.834;

(2) Metropolitan Airports Commission under section 473.667, 473.671, or 473.672;  
and

(3) Metropolitan Mosquito Control Commission under section 473.711.

For purposes of this section, any levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington under chapter 398A shall be included with the appropriate county's levy ~~and shall be discussed at that county's public hearing.~~

(j) The governing body of a county, city, or school district may, with the consent of the county board, include supplemental information with the statement of proposed property taxes about the impact of state aid increases or decreases on property tax increases or decreases and on the level of services provided in the affected jurisdiction. This supplemental information may include information for the following year, the current year, and for as many consecutive preceding years as deemed appropriate by the governing body of the county, city, or school district. It may include only information regarding:

(1) the impact of inflation as measured by the implicit price deflator for state and local government purchases;

(2) population growth and decline;

(3) state or federal government action; and

(4) other financial factors that affect the level of property taxation and local services that the governing body of the county, city, or school district may deem appropriate to include.

The information may be presented using tables, written narrative, and graphic representations and may contain instruction toward further sources of information or opportunity for comment.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2010 and thereafter.

Sec. 4. Minnesota Statutes 2008, section 275.065, subdivision 5a, is amended to read:

Subd. 5a. **Public advertisement.** (a) Except for property taxes levied in 2009 and 2010, a city that has a population of more than 2,500, county, a metropolitan special taxing district as defined in subdivision 3, paragraph (i), a regional library district established under section 134.201, or school district shall advertise in a newspaper a notice of its intent to adopt a budget and property tax levy or, in the case of a school district, to review its current budget and proposed property taxes payable in the following year, at a public hearing, if a public hearing is required under subdivision 6. The notice must be published not less than two business days nor more than six business days before the hearing.

The advertisement must be at least one-eighth page in size of a standard-size or a tabloid-size newspaper. The advertisement must not be placed in the part of the newspaper where legal notices and classified advertisements appear. The advertisement must be published in an official newspaper of general circulation in the taxing authority. The newspaper selected must be one of general interest and readership in the community, and not one of limited subject matter. The advertisement must appear in a newspaper that is published at least once per week.

For purposes of this section, the metropolitan special taxing district's advertisement must only be published in the Minneapolis Star and Tribune and the Saint Paul Pioneer Press.

In addition to other requirements, a county and a city having a population of more than 2,500 must show in the public advertisement required under this subdivision the current local tax rate, the proposed local tax rate if no property tax levy increase is adopted, and the proposed rate if the proposed levy is adopted. For purposes of this subdivision, "local tax rate" means the city's or county's net tax capacity levy divided by the city's or county's taxable net tax capacity.

(b) Subject to the provisions of paragraph (g), the advertisement for school districts, metropolitan special taxing districts, and regional library districts must be in the following form, except that the notice for a school district may include references to the current budget in regard to proposed property taxes.

**"NOTICE OF  
PROPOSED PROPERTY TAXES**

(School District/Metropolitan  
Special Taxing District/Regional  
Library District) of .....

The governing body of ..... will soon hold budget hearings and vote on the property taxes for (metropolitan special taxing district/regional library district services that will be provided in (year)/school district services that will be provided in (year) and (year)).

**NOTICE OF PUBLIC HEARING:**

All concerned citizens are invited to attend a public hearing and express their opinions on the proposed (school district/metropolitan special taxing district/regional library district) budget and property taxes, or in the case of a school district, its current budget and proposed property taxes, payable in the following year. The hearing will be held on (Month/Day/Year) at (Time) at (Location, Address)."

(c) Subject to the provisions of paragraph (g), the advertisement for cities and counties must be in the following form.

**"NOTICE OF PROPOSED**

49.1 TOTAL BUDGET AND PROPERTY TAXES

49.2 The (city/county) governing body or board of commissioners will hold a public hearing to  
49.3 discuss the budget and to vote on the amount of property taxes to collect for services the  
49.4 (city/county) will provide in (year).

49.5 SPENDING: The total budget amounts below compare (city's/county's) (year) total actual  
49.6 budget with the amount the (city/county) proposes to spend in (year).

49.7	(Year) Total Actual	Proposed (Year) Budget	Change from
49.8	Budget		(Year)-(Year)
49.9	\$.....	\$ .....	.....%

49.10 TAXES: The property tax amounts below compare that portion of the current budget  
49.11 levied in property taxes in (city/county) for (year) with the property taxes the (city/county)  
49.12 proposes to collect in (year).

49.13	(Year) Property Taxes	Proposed (Year) Property	Change from
49.14		Taxes	(Year)-(Year)
49.15	\$.....	\$ .....	.....%

49.16 LOCAL TAX RATE COMPARISON: The current local tax rate, the local tax rate if no tax  
49.17 levy increase is adopted, and the proposed local tax rate if the proposed levy is adopted.

49.18	(Year) Tax Rate	(Year) Tax Rate if NO	(Year) Proposed Tax
49.19		Levy Increase	Rate
49.20	.....	.....	.....

49.21 ATTEND THE PUBLIC HEARING

49.22 All (city/county) residents are invited to attend the public hearing of the (city/county) to  
49.23 express your opinions on the budget and the proposed amount of (year) property taxes.

49.24 The hearing will be held on:

49.25 (Month/Day/Year/Time)  
49.26 (Location/Address)

49.27 If the discussion of the budget cannot be completed, a time and place for continuing the  
49.28 discussion will be announced at the hearing. You are also invited to send your written  
49.29 comments to:

49.30 (City/County)  
49.31 (Location/Address)"

49.32 (d) For purposes of this subdivision, the budget amounts listed on the advertisement  
49.33 mean:

49.34 (1) for cities, the total government fund expenditures, as defined by the state auditor  
49.35 under section 471.6965, less any expenditures for improvements or services that are

50.1 specially assessed or charged under chapter 429, 430, 435, or the provisions of any other  
50.2 law or charter; and

50.3 (2) for counties, the total government fund expenditures, as defined by the state  
50.4 auditor under section 375.169, less any expenditures for direct payments to recipients or  
50.5 providers for the human service aids listed below:

50.6 (i) Minnesota family investment program under chapters 256J and 256K;

50.7 (ii) medical assistance under sections 256B.041, subdivision 5, and 256B.19,  
50.8 subdivision 1;

50.9 (iii) general assistance medical care under section 256D.03, subdivision 6;

50.10 (iv) general assistance under section 256D.03, subdivision 2;

50.11 (v) Minnesota supplemental aid under section 256D.36, subdivision 1;

50.12 (vi) preadmission screening under section 256B.0911, and alternative care grants  
50.13 under section 256B.0913;

50.14 (vii) general assistance medical care claims processing, medical transportation and  
50.15 related costs under section 256D.03, subdivision 4;

50.16 (viii) medical transportation and related costs under section 256B.0625, subdivisions  
50.17 17 to 18a;

50.18 (ix) group residential housing under section 256I.05, subdivision 8, transferred  
50.19 from programs in clauses (iv) and (v); or

50.20 (x) any successor programs to those listed in clauses (i) to (ix).

50.21 (e) A city with a population of over 500 but not more than 2,500 that is required to  
50.22 hold a public hearing under subdivision 6 must advertise by posted notice as defined in  
50.23 section 645.12, subdivision 1. The advertisement must be posted at the time provided in  
50.24 paragraph (a). It must be in the form required in paragraph (b).

50.25 (f) For purposes of this subdivision, the population of a city is the most recent  
50.26 population as determined by the state demographer under section 4A.02.

50.27 (g) The commissioner of revenue shall annually prescribe the specific form and  
50.28 format of the advertisements required under this subdivision, including such details as  
50.29 font size and style, and spacing for the required items. The commissioner may prescribe  
50.30 alternate and additional language for the advertisement for a taxing authority or for groups  
50.31 of taxing authorities. At least two weeks before November 29 each year, the commissioner  
50.32 shall provide a copy of the prescribed advertisements to the chairs of the committees of  
50.33 the house of representatives and the senate with jurisdiction over taxes.

50.34 **EFFECTIVE DATE.** This section is effective the day following final enactment.

50.35 Sec. 5. Minnesota Statutes 2008, section 275.065, subdivision 6, is amended to read:

Subd. 6. ~~Public hearing; Adoption of budget and levy.~~ (a) For purposes of this section, the following terms shall have the meanings given:

(1) "Initial hearing" means the first and primary hearing held to discuss the taxing authority's proposed budget and proposed property tax levy for taxes payable in the following year, or, for school districts, the current budget and the proposed property tax levy for taxes payable in the following year.

(2) "Continuation hearing" means a hearing held to complete the initial hearing, if the initial hearing is not completed on its scheduled date.

(3) "Subsequent hearing" means the hearing held to adopt the taxing authority's final property tax levy, and, in the case of taxing authorities other than school districts, the final budget, for taxes payable in the following year.

(b) Between November 29 and December 20, the governing bodies of a city that has a population over 500, county, metropolitan special taxing districts as defined in subdivision 3, paragraph (i), and regional library districts shall each hold an initial public hearing to discuss and seek public comment on its final budget and property tax levy for taxes payable in the following year, and the governing body of the school district shall hold an initial public hearing to review its current budget and proposed property tax levy for taxes payable in the following year. The metropolitan special taxing districts shall be required to hold only a single joint initial public hearing, the location of which will be determined by the affected metropolitan agencies. A city, county, metropolitan special taxing district as defined in subdivision 3, paragraph (i), regional library district established under section 134.201, or school district is not required to hold a public hearing under this subdivision unless its proposed property tax levy for taxes payable in the following year, as certified under subdivision 1, has increased over its final property tax levy for taxes payable in the current year by a percentage that is greater than the percentage increase in the implicit price deflator for government consumption expenditures and gross investment for state and local governments prepared by the Bureau of Economic Analysts of the United States Department of Commerce for the 12-month period ending March 31 of the current year.

(c) The initial hearing must be held after 5:00 p.m. if scheduled on a day other than Saturday. No initial hearing may be held on a Sunday.

(d) At the initial hearing under this subdivision, the percentage increase in property taxes proposed by the taxing authority, if any, and the specific purposes for which property tax revenues are being increased must be discussed. During the discussion, the governing body shall hear comments regarding a proposed increase and explain the reasons for the proposed increase. The public shall be allowed to speak and to ask questions. At the public

52.1 ~~hearing, the school district must also provide and discuss information on the distribution~~  
52.2 ~~of its revenues by revenue source, and the distribution of its spending by program area.~~

52.3 ~~(e) If the initial hearing is not completed on its scheduled date, the taxing authority~~  
52.4 ~~must announce, prior to adjournment of the hearing, the date, time, and place for the~~  
52.5 ~~continuation of the hearing. The continuation hearing must be held at least five business~~  
52.6 ~~days but no more than 14 business days after the initial hearing. A continuation hearing~~  
52.7 ~~may not be held later than December 20 except as provided in paragraphs (f) and (g).~~  
52.8 ~~A continuation hearing must be held after 5:00 p.m. if scheduled on a day other than~~  
52.9 ~~Saturday. No continuation hearing may be held on a Sunday.~~

52.10 ~~(f) The governing body of a county shall hold its initial hearing on the first Thursday~~  
52.11 ~~in December each year, and may hold additional initial hearings on other dates before~~  
52.12 ~~December 20 if necessary for the convenience of county residents. If the county needs a~~  
52.13 ~~continuation of its hearing, the continuation hearing shall be held on the third Tuesday~~  
52.14 ~~in December. If the third Tuesday in December falls on December 21, the county's~~  
52.15 ~~continuation hearing shall be held on Monday, December 20.~~

52.16 ~~(g) The metropolitan special taxing districts shall hold a joint initial public hearing~~  
52.17 ~~on the first Wednesday of December. A continuation hearing, if necessary, shall be held on~~  
52.18 ~~the second Wednesday of December even if that second Wednesday is after December 10.~~

52.19 ~~(h) The county auditor shall provide for the coordination of initial and continuation~~  
52.20 ~~hearing dates for all school districts and cities within the county to prevent conflicts under~~  
52.21 ~~clauses (i) and (j).~~

52.22 ~~(i) By August 10, each school board and the board of the regional library district~~  
52.23 ~~shall certify to the county auditors of the counties in which the school district or regional~~  
52.24 ~~library district is located the dates on which it elects to hold its initial hearing and any~~  
52.25 ~~continuation hearing. If a school board or regional library district does not certify these~~  
52.26 ~~dates by August 10, the auditor will assign the initial and continuation hearing dates. The~~  
52.27 ~~dates elected or assigned must not conflict with the initial and continuation hearing dates~~  
52.28 ~~of the county or the metropolitan special taxing districts.~~

52.29 ~~(j) By August 20, the county auditor shall notify the clerks of the cities within the~~  
52.30 ~~county of the dates on which school districts and regional library districts have elected to~~  
52.31 ~~hold their initial and continuation hearings. At the time a city certifies its proposed levy~~  
52.32 ~~under subdivision 1 it shall certify the dates on which it elects to hold its initial hearing and~~  
52.33 ~~any continuation hearing. Until September 15, the first and second Mondays of December~~  
52.34 ~~are reserved for the use of the cities. If a city does not certify its hearing dates by~~  
52.35 ~~September 15, the auditor shall assign the initial and continuation hearing dates. The dates~~  
52.36 ~~elected or assigned for the initial hearing must not conflict with the initial hearing dates~~

~~of the county, metropolitan special taxing districts, regional library districts, or school districts within which the city is located. To the extent possible, the dates of the city's continuation hearing should not conflict with the continuation hearing dates of the county, metropolitan special taxing districts, regional library districts, or school districts within which the city is located. This paragraph does not apply to cities of 500 population or less.~~

~~(k) The county initial hearing date and the city, metropolitan special taxing district, regional library district, and school district initial hearing dates must be designated on the notices required under subdivision 3. The continuation hearing dates need not be stated on the notices.~~

~~(l) At a subsequent hearing, each county, school district, city over 500 population, and metropolitan special taxing district may amend its proposed property tax levy and must adopt a final property tax levy. Each county, city over 500 population, and metropolitan special taxing district may also amend its proposed budget and must adopt a final budget at the subsequent hearing. The final property tax levy must be adopted prior to adopting the final budget. A school district is not required to adopt its final budget at the subsequent hearing. The subsequent hearing of a taxing authority must be held on a date subsequent to the date of the taxing authority's initial public hearing. If a continuation hearing is held, the subsequent hearing must be held either immediately following the continuation hearing or on a date subsequent to the continuation hearing. The subsequent hearing may be held at a regularly scheduled board or council meeting or at a special meeting scheduled for the purposes of the subsequent hearing. The subsequent hearing of a taxing authority does not have to be coordinated by the county auditor to prevent a conflict with an initial hearing, a continuation hearing, or a subsequent hearing of any other taxing authority. All subsequent hearings must be held prior to five working days after December 20 of the levy year. The date, time, and place of the subsequent hearing must be announced at the initial public hearing or at the continuation hearing.~~

~~(m)~~ (a) The property tax levy certified under section 275.07 by a city of any population, county, metropolitan special taxing district, regional library district, or school district must not exceed the proposed levy determined under subdivision 1, except by an amount up to the sum of the following amounts:

(1) the amount of a school district levy whose voters approved a referendum to increase taxes under section 123B.63, subdivision 3, or 126C.17, subdivision 9, after the proposed levy was certified;

(2) the amount of a city or county levy approved by the voters after the proposed levy was certified;

(3) the amount of a levy to pay principal and interest on bonds approved by the voters under section 475.58 after the proposed levy was certified;

(4) the amount of a levy to pay costs due to a natural disaster occurring after the proposed levy was certified, if that amount is approved by the commissioner of revenue under subdivision 6a;

(5) the amount of a levy to pay tort judgments against a taxing authority that become final after the proposed levy was certified, if the amount is approved by the commissioner of revenue under subdivision 6a;

(6) the amount of an increase in levy limits certified to the taxing authority by the commissioner of education or the commissioner of revenue after the proposed levy was certified; and

(7) the amount required under section 126C.55.

~~(n)~~ (b) This subdivision does not apply to towns and special taxing districts other than regional library districts and metropolitan special taxing districts.

~~(o)~~ (c) Notwithstanding the requirements of this section, the employer is required to meet and negotiate over employee compensation as provided for in chapter 179A.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2010 and thereafter.

Sec. 6. Minnesota Statutes 2008, section 279.01, subdivision 1, is amended to read:

Subdivision 1. **Due dates; penalties.** Except as provided in subdivision 3 or 4, on May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, a penalty accrues and thereafter is charged upon all unpaid taxes on real estate on the current lists in the hands of the county treasurer. The penalty is at a rate of two percent on homestead property until May 31 and four percent on June 1. The penalty on nonhomestead property is at a rate of four percent until May 31 and eight percent on June 1. This penalty does not accrue until June 1 of each year, or 21 days after the postmark date on the envelope containing the property tax statements, whichever is later, on commercial use real property used for seasonal residential recreational purposes and classified as class 1c or 4c, and on other commercial use real property classified as class 3a, provided that over 60 percent of the gross income earned by the enterprise on the class 3a property is earned during the months of May, June, July, and August. In order for the first half of the tax due on class 3a property to be paid after May 15 and before June 1, or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, without penalty, the owner of the property must attach an affidavit to the payment attesting to compliance with the income provision of this subdivision. Thereafter,

for both homestead and nonhomestead property, on the first day of each month beginning July 1, up to and including October 1 following, an additional penalty of one percent for each month accrues and is charged on all such unpaid taxes provided that if the due date was extended beyond May 15 as the result of any delay in mailing property tax statements no additional penalty shall accrue if the tax is paid by the extended due date. If the tax is not paid by the extended due date, then all penalties that would have accrued if the due date had been May 15 shall be charged. When the taxes against any tract or lot exceed ~~\$50~~ \$250, one-half thereof may be paid prior to May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later; and, if so paid, no penalty attaches; the remaining one-half may be paid at any time prior to October 16 following, without penalty; but, if not so paid, then a penalty of two percent accrues thereon for homestead property and a penalty of four percent on nonhomestead property. Thereafter, for homestead property, on the first day of November an additional penalty of four percent accrues and on the first day of December following, an additional penalty of two percent accrues and is charged on all such unpaid taxes. Thereafter, for nonhomestead property, on the first day of November and December following, an additional penalty of four percent for each month accrues and is charged on all such unpaid taxes. If one-half of such taxes are not paid prior to May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, the same may be paid at any time prior to October 16, with accrued penalties to the date of payment added, and thereupon no penalty attaches to the remaining one-half until October 16 following.

This section applies to payment of personal property taxes assessed against improvements to leased property, except as provided by section 277.01, subdivision 3.

A county may provide by resolution that in the case of a property owner that has multiple tracts or parcels with aggregate taxes exceeding ~~\$50~~ \$250, payments may be made in installments as provided in this subdivision.

The county treasurer may accept payments of more or less than the exact amount of a tax installment due. Payments must be applied first to the oldest installment that is due but which has not been fully paid. If the accepted payment is less than the amount due, payments must be applied first to the penalty accrued for the year or the installment being paid. Acceptance of partial payment of tax does not constitute a waiver of the minimum payment required as a condition for filing an appeal under section 278.03 or any other law, nor does it affect the order of payment of delinquent taxes under section 280.39.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2010 and thereafter.

Sec. 7. Minnesota Statutes 2008, section 279.10, is amended to read:

**279.10 PUBLICATION CORRECTED.**

Immediately after preparing forms for printing such notice and list, and at least five days before the first day for the publication thereof, every ~~such~~ publisher shall furnish proof of the proposed publication to the county auditor for correction. When ~~such~~ the copy has been corrected, the auditor shall return ~~the same~~ it to the printer, who shall publish it as corrected. On the first day on which ~~such~~ the notice and list are published, the publisher shall mail a copy of the newspaper containing ~~the same~~ the notice and list to the auditor. If during the publication of the notice and list, or within ten days after the last publication thereof, the auditor ~~shall discover~~ discovers that ~~such~~ the publication ~~is invalid~~ contains an error, the auditor shall ~~forthwith~~ direct the publisher to ~~republish the same as corrected~~ publish the correct information for an additional period of two weeks. The auditor does not have to direct the publisher to republish the entire list. The publisher, if not neglectful, ~~shall be~~ is entitled to ~~the same~~ compensation as allowed by law for ~~the original~~ the original publication of the corrected information, but shall receive no further compensation ~~therefor~~ therefor if ~~such~~ the republication is necessary by reason of the neglect of the publisher.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 8. Minnesota Statutes 2008, section 375.194, subdivision 5, is amended to read:

Subd. 5. **Determination of county tax rate.** The eligible county's proposed and final tax rates shall be determined by dividing the certified levy by the total taxable net tax capacity, without regard to any abatements granted under this section. ~~The county board shall make available the estimated amount of the abatement at the public hearing under section 275.065, subdivision 6.~~

**EFFECTIVE DATE.** This section is effective for taxes payable in 2010 and thereafter.

Sec. 9. Minnesota Statutes 2008, section 383A.75, subdivision 3, is amended to read:

Subd. 3. **Duties.** The committee is authorized to and shall meet from time to time to make appropriate recommendations for the efficient and effective use of property tax dollars raised by the jurisdictions for programs, buildings, and operations. In addition, the committee shall:

(1) identify trends and factors likely to be driving budget outcomes over the next five years with recommendations for how the jurisdictions should manage those trends and factors to increase efficiency and effectiveness;

(2) agree, by October 1 of each year, on the appropriate level of overall property tax levy for the three jurisdictions and publicly report such to the governing bodies of each jurisdiction for ratification or modification by resolution; and

~~(3) plan for the joint truth-in-taxation hearings under section 275.065, subdivision 8; and~~

~~(4)~~ identify, by December 31 of each year, areas of the budget to be targeted in the coming year for joint review to improve services or achieve efficiencies.

In carrying out its duties, the committee shall consult with public employees of each jurisdiction and with other stakeholders of the city, county, and school district, as appropriate.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2010 and thereafter.

Sec. 10. Minnesota Statutes 2008, section 465.719, subdivision 9, is amended to read:

Subd. 9. **Application of other laws.** A corporation created by a political subdivision under this section must comply with every law that applies to the political subdivision, as if the corporation is a part of the political subdivision, unless the resolution ratifying creation of the corporation specifically exempts the corporation from part or all of a law. If the resolution exempts the corporation from part or all of a law, the resolution must make a detailed and specific finding as to why the corporation cannot fulfill its purpose if the corporation is subject to that law. A corporation may not be exempted from chapter 13D, the Minnesota Open Meeting Law, sections 138.163 to 138.25, governing records management, or chapter 13, the Minnesota Government Data Practices Act. Any affected or interested person may bring an action in district court to void the resolution on the grounds that the findings are not sufficiently detailed and specific, or that the corporation can fulfill its purpose if it is subject to the law from which the resolution exempts the corporation. Laws that apply to a political subdivision that also apply to a corporation created by a political subdivision under this subdivision include, but are not limited to:

- (1) chapter 13D, the Minnesota Open Meeting Law;
- (2) chapter 13, the Minnesota Government Data Practices Act;
- (3) section 471.345, the Uniform Municipal Contracting Law;
- (4) sections 43A.17, limiting the compensation of employees based on the governor's salary; 471.991 to 471.999, providing for equitable pay; and 465.72 and 465.722, governing severance pay;

~~(5) section 275.065, providing for truth-in-taxation hearings. If any tax revenues of the political subdivision will be appropriated to the corporation, the corporation's annual~~

~~operating and capital budgets must be included in the truth-in-taxation hearing of the political subdivision that created the corporation;~~

~~(6)~~ if the corporation issues debt, its debt is included in the political subdivision's debt limit if it would be included if issued by the political subdivision, and issuance of the debt is subject to the election and other requirements of chapter 475 and section 471.69;

~~(7)~~ (6) section 471.895, prohibiting acceptance of gifts from interested parties, and sections 471.87 to 471.89, relating to interests in contracts;

~~(8)~~ (7) chapter 466, relating to municipal tort liability;

~~(9)~~ (8) chapter 118A, requiring deposit insurance or bond or pledged collateral for deposits;

~~(10)~~ (9) chapter 118A, restricting investments;

~~(11)~~ (10) section 471.346, requiring ownership of vehicles to be identified;

~~(12)~~ (11) sections 471.38 to 471.41, requiring claims to be in writing, itemized, and approved by the governing board before payment can be made; and

~~(13)~~ (12) the corporation cannot make advances of pay, make or guarantee loans to employees, or provide in-kind benefits unless authorized by law.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2010 and thereafter.

Sec. 11. Minnesota Statutes 2008, section 473.13, subdivision 1, is amended to read:

Subdivision 1. **Budget.** (a) On or before December 20 of each year, the council; ~~after the public hearing required in section 275.065,~~ shall adopt a final budget covering its anticipated receipts and disbursements for the ensuing year and shall decide upon the total amount necessary to be raised from ad valorem tax levies to meet its budget. The budget shall state in detail the expenditures for each program to be undertaken, including the expenses for salaries, consultant services, overhead, travel, printing, and other items. The budget shall state in detail the capital expenditures of the council for the budget year, based on a five-year capital program adopted by the council and transmitted to the legislature. After adoption of the budget and no later than five working days after December 20, the council shall certify to the auditor of each metropolitan county the share of the tax to be levied within that county, which must be an amount bearing the same proportion to the total levy agreed on by the council as the net tax capacity of the county bears to the net tax capacity of the metropolitan area. The maximum amount of any levy made for the purpose of this chapter may not exceed the limits set by the statute authorizing the levy.

(b) Each even-numbered year the council shall prepare for its transit programs a financial plan for the succeeding three calendar years, in half-year segments. The financial

plan must contain schedules of user charges and any changes in user charges planned or anticipated by the council during the period of the plan. The financial plan must contain a proposed request for state financial assistance for the succeeding biennium.

(c) In addition, the budget must show for each year:

(1) the estimated operating revenues from all sources including funds on hand at the beginning of the year, and estimated expenditures for costs of operation, administration, maintenance, and debt service;

(2) capital improvement funds estimated to be on hand at the beginning of the year and estimated to be received during the year from all sources and estimated cost of capital improvements to be paid out or expended during the year, all in such detail and form as the council may prescribe; and

(3) the estimated source and use of pass-through funds.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2010 and thereafter.

Sec. 12. **REPEALER.**

Minnesota Statutes 2008, section 275.065, subdivisions 6b, 6c, 8, 9, and 10, are repealed.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2010 and thereafter.

APPENDIX  
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